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Ship Deal Makes History

John V. Clyne, chairman of Canada's Maritime Commission, is the architect and negotiator of the unique Canada-United Kingdom ship transfer deal now nearing completion (see story, page 1). In private life one of Canada's leading admiralty lawyers, he went from Vancouver to Ottawa two years ago to head up Maritime Commission.

THE NATION'S BUSINESS

We've Been Saved $25 Millions a Year

Good work at Ottawa has just saved the Canadian taxpayers about $25 millions a year.

That is the estimate of what would have been needed to subsidize Canada's ocean shipping which has been blown on the rocks by the return of more normal conditions on the Atlantic freight routes and by sterling devaluation.

The deal worked out with Britain whereby we transfer to British registry up to 130 vessels looks good.

Our ships continue to earn dollars. We get them back in case of emergency.

Britain gets much-needed tonnage, and the freight receipts will help her currency problem just the same as developing an important new export.

As Prime Minister St. Laurent said: "Not since the beginning of this century has the business of owning and operating deep-sea vessels really prospered in Canada."

After the first World War, our government blundered into national ownership of a fleet. When the Canadian Government Merchant Marine was finally liquidated in 1936, the total loss to Canadian taxpayers, exclusive of interest on capital and other charges, was over $82 millions.

After the second World War, the government was wiser. Then, with the fourth largest merchant fleet in the world, it sold off the ships to Canadians and anybody else who would buy.

Ocean freight rates in 1946 and 1947 remained high. About mid-1948 rates began to decline and at present rates and at Canadian operating costs, our vessels encountered heavy losses. Currently, daily operating cost of a 10,000-tonner under British registry is about $450; under Canadian registry $800.

Mr. St. Laurent said:

"The maintenance of a Canadian flag merchant can only be justified on the basis of one or both of two assumptions: one, that the fleet is a net economic asset to the community, or two, that the fleet is important for purposes of national security.

"We have concluded that we are not justified from an economic viewpoint in maintaining a Canadian flag fleet by artificial means. It is not the intention of the government to maintain an industry at the expense of the taxpayer, and of other export industries, by the unhealthy method of subsidies, unless these countervailing considerations are very strong indeed.

"There are many objections to shipping subsidies. They do not tend to promote a healthy and efficient industry. They contribute a steady and usually increasing drain upon public funds. In a world in which some types of ships are already in over supply, they represent a waste of the taxpayer's money."

That is common sense indeed.

Now being negotiated with Atlantic Pact nations is a plan for pooling of shipping in wartime.

Commenting on this development, the editor of Canadian Shipping (Maclean-Hunter) said that the national defense aspect should not be overlooked and that most important was some Canadian policy which would give this country a nucleus fleet of fast and really modern shipping which would have a chance of competing under present-day conditions. Our shipbuilding industry is important in peace and war, and its interests must not be overlooked.

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Truth Uncomfortable

In one of the most extravagant and hysterical resolutions we have ever seen committed to paper, the Auto Workers Unions is complaining about a recent Financial Post article on the Oshawa General Motors strike.

That strike was clearly illegal from the outset, and a failure because it cost the men $1 million in wages lost and won them nothing.

The resolution is long and amusing. Among other things, it charges that The Post is in cahoots with Communist Joe Salzberg, or that Joe is in cahoots with The Post. What it fails to make clear is why revelation of the facts of that settlement is so discomfiting.

Here's in effect what happened:

The GM people went on strike. This was expressly forbidden in the contract. The GM management then wired Walter Reuther, U. S. boss of the auto workers and said in effect: "You have said labor should live up to its contracts. Then what about the strike here."

Reuther soon phoned George Burt, head of the Oshawa local, and told him in no uncertain terms, to get the men back at once. Burt did nothing effective in halting the strike for seven days. Then Reuther's personal assistant, John Conway, arrived on the scene. The strike was settled

So what really bothers Burt is the fact that his union is restless over the flop; and his members have learned, through The Post, that he has been yanked into line by Big Boss Reuther and that he has had a spanking for not preventing breach of contract and illegal strikes.

For reporting this The Post is condemned, among a dozen other things for "habitual interference in trade union affairs." Accurate and candid reporting of public affairs—which include union affairs—is not liked in Communist countries. Elsewhere it is highly regarded as an important protector of the individual in his rights and liberties. Does Mr. Burt forget in what country he is?

It is regrettable that the labor movement, which has achieved such substantial stature and influence in our country, has so seriously failed in producing more leadership that is adult and responsible; leadership, above all, which understands that a contract is a solemn agreement binding two parties, not just one.

Big Expansion Coming In Atomic Program

Proposed $40 Million Development Would Give Canada Most Modern "Isotope Factory" —May Market Atomic Material Commercially

OTTAWA (Staff)—In 1950, the Government is expected to approve a long-range plan looking towards an eventual six or sevenfold expansion of Canada's existing atomic energy program.

Last week, an initial step towards this approval was taken when the special Parliamentary Committee on Atomic Energy, recommended unanimously "the expansion and development of the project as required from time to time, and that the government undertake the expansion of the present facilities by the construction of an additional reactor and such research equipment as may be required."

The plan the government will be asked to consider, and which will almost certainly be approved, will be a flexible unit-by-unit project. Eventual cost will centre round a target figure of $30 to $40 millions. The expenditure would probably be spread over a five-year period, unless special circumstances dictated more rapid expansion. There has been no decision yet whether or not the new proposed project will be at Chalk River or elsewhere.

May Earn U. S. Dollars

The project as planned will put Canada very definitely on the map as a producer of the Utopian new element plutonium. We would then be in the unique position of being able to market commercially both the raw material, uranium, and also the much more valuable refined product.

From a "balance-of-payments" angle alone, this part of the proposed development could run into very big money. If we could "upgrade" our present uranium output into a much more valuable form, this might have a very material effect on Canada's future U. S. dollar earning power.

Under the proposed plan we'll also be ready to meet any one of a dozen avenues of development which may open up in the atomic energy field in the next decade. One such project is the manufacture of isotopes for industrial and medicinal use. (This week it became known that Massey-Harris was using isotopes in its Toronto plant).

As announced last week, the Government has now decided to make Chalk River isotopes available for research work in foreign countries. The reason: Canada can supply certain isotopes in more concentrated form than any other country in the world.

Isotope Factory

What's ahead for 1950-55, is a program which gives Canada one of the most m[illegible]ope "factories" in the world. And by the time the new project is completed, the isotope may well have come into its own as one of the greatest "by-products" of the atomic age.

For example: it is now pretty certain that we'll use isotopes to measure and control the flow of oil through the new Edmonton-Superior pipe-line. This new wonder-tool of the atomic age will enable an operator to tell without even looking in the pipe-line, just when one company's oil has passed through the pipe; when another has started,

What the Commons committee found last month when they in-

(Continued on page 3, col. 4)

What's Outlook In '50 For Canadian Farmers?

By GORDON L. SMITH

OTTAWA (Staff) — For months spokesmen for most of the commercial agricultural organizations of Canada have chosen to ignore the repeated warnings from Ottawa and London that the days of lush food contracts with the United Kingdom were numbered. Once again, they assured themselves, stocky Agricultural Minister Gardiner would pull something out of the hat.

But at the Dominion-Provincial Farm Conference this week Mr. Gardiner argued firmly that there was absolutely nothing in the hat this time. He repeated the statement that had sobered the House of Commons last week.

The British Government, he said, had shown not the slightest interest in any further food deals with Canada. It had refused to consider new contracts for bacon, cheese, eggs or any other of the foods it had taken in almost unlimited quantities a few years ago. It was only willing to accept the wheat guaranteed in this, the final year of the agreement signed three years ago.

So emphatic was Mr. Gardiner in this matter, so sharply critical of the U. K. Government's attitude, that there was some feeling that this plain speaking might well be part of a plan to wring some last minute concessions out of the British.

The elaborately staged exclusion of the daily press from the first day's proceedings of the conference fitted into such a picture. That move was bound to result in more, not less, publicity for Mr. Gardiner's views. It was not difficult for the excluded press members to learn that Mr. Gardiner had told the conference exactly the same story as he revealed in the Commons a few days before.

Negotiations Continue

It was also well known that while Mr. Gardiner was breaking the bad news and giving the impression that all hope of trading with Britain was gone, other government authorities concerned were still negotiating. Moreover, they were confident of at least some orders from Britain for cheese and bacon and possibly even a few eggs, though for both lower prices and volume than at present. Announcement of some definite results in this respect will come shortly.

There is still some time before any major crisis could develop. It would have been a nice personal triumph for Mr. Gardiner to have been able to open the conference with the announcement of new and substantial food contracts. But a delay of even a few months may not greatly matter, and, by holding back, the U. K. negotiators might hope for better terms. Right now, with few exceptions, there are no great surpluses overhanging the Canadian market and there will not be until the 1950 crops begin to materialize.

Mr. Gardiner did hold out some

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For Santa, Big Load, Busy Run

Christmas Customers, Tho' Choosy, Buying Heavily

By Staff Writers and Regional Correspondents

Santa Claus had better shine up his sleigh runners and give his reindeer another helping of oats; he's got another busy session coming up. At midweek, Christmas business looked to be about on a par with last year's record buying spree.

A coast to coast survey by The Post shows: more selective buying; more credit buying; better values; wider variety of goods; some soft spots but over-all volume likely to equal last year's record.

While Montreal and Toronto see business likely to top last year's, Saint John and Regina expect to finish down on last year, St. John's is doubtful, Winnipeg, Edmonton, Vancouver expect to equal last year.

And across the country many a new storekeeper whose business experience has been confined to these last few lush years is finding out what it means to have people shopping around.

As one authority on retail trade put it: "Competition is back in a big way. People are keenly price- and quality-conscious this year."

This notwithstanding, department store sales continue to move up. Sales for the week ended Dec. 3 as measured by DBS were up 8% with all provinces showing increases, as compared with same week a year ago.

Highlights from The Post survey:

British goods in general going well at lower prices resulting from devaluation, though some delivery complaints.

Women's fashion goods rather slow to move.

Television and radio goods booming in Toronto.

Household appliances, furnishings doing very much better than last year.

Jewelry moving well, better than last year.

Toys in better supply, with more mechanical items, some lower-priced items; all moving well.

Here's the city-by-city picture:

ST. JOHN'S: Doubtful if better than last year. Sales currently brisk, pace expected to hold till Christmas Eve. Only definite increase reported by mail-order houses which have been doing well ever since entry into Confederation removed tariff wall. Only really fast movers are goods for filling Christmas stockings.

SAINT JOHN: Business definitely off. Strong resistance to high prices, although volume still at high level. Shoppers favoring utility goods rather than frills. Stores well stocked, goods in wide variety, no apparent shortages. Early December snowfall had beneficial effect in helping move outdoor sporting goods and woollens. Food sales down compared with the last Christmas. Adversely affecting sales is mounting unemployment.

MONTREAL: Should top last year's record. Wider variety of goods, better values, and benevolent snow have contributed to record level of sales so far. Several department stores now staying open till 9 p.m. Fridays for Christmas season as is trend in U. S. now. Increase in sales seems to be spread pretty well over the whole range of Christmas-gift goods. Men's furnishings — socks, ties (gaudy as ever), shirts, gloves, scarves, etc., selling like

(Continued on page 3, col. 1)

Our Proud 50 Years

Where does the nation stand at the half-century? What have been our accomplishments? The Post believes every Canadian may well take pride in them ... in our emergence as a leader among nations, in our growing industrial stature, in the development of our rich heritage in natural resources.

On pages 17 and 19, The Post this week presents the dramatic story in easy-to-read charts, text—the highlights of our then and now. Something every reader will want to keep.

And on page 18 the strong sense of pride Canadians have in their nation's accomplishments is told in answers to The Question.

Canada's Proud 50 Years of Progress—pages 17, 18, 19.

PRICES

For the first time in many weeks the **coffee market** shows signs of easing off in its upward surge, The Financial Post understands. Prices said to be "teetering" a bit. One large chain states cost of its coffee has gone up 25c. lb. while retail price is only up 20c. So further retail price hikes are possible with any sign of resumption of the upward trend in the green market.

Mink coats seem to be due to go back up after their declines this year. Pelts offered at the New York opening of the big fall auction season sold for 25% above 1948 levels and were up as much as 30% in recent auctions in Montreal. Demand from U. S. buyers pushed price up here since only 25% of buying is domestic.

Trans-Atlantic flights will be cheaper for 15-day round trips beginning Jan. 1, up to March 31. New fare is one and one-tenth times the regular one-way rate. A 15-day round trip from Montreal to London will be $407 compared with $493 for winter rate and $666 regular rate.

Turkey prices show differential up to 15c. lb. according to size of bird. Very heavy birds (more than 18 lb.) will be plentiful and will sell for about 15c. lb. less than the more popular smaller birds (12-16 lb.) which are expected to retail at about 65c.-70c. lb.

Tin price was cut another 2c. lb. to 79c. N. Y. by the U. S. Reconstruction Finance Corp. Is now 24c. lb. below the $1.03 which prevailed prior to resumption of free trading on the London Metal Exchange in October. Declines in foreign markets and a general slackening in demand are blamed for the drop.

Scrap copper price advanced ¼c. lb. reflecting continuing strong demand for copper which holds firm at the 18½c. price.

Farm prices of agricultural products in October reached their lowest point since April, 1948. Index on the base 1935-39=100 stood at 246.8 in October, 249.7 in September and 260.1 in October of last year. Price peak was reached in August, 1948, when index was 263.9. Compared with a year ago, prices were lower for grains, livestock, dairy products, poultry and eggs; higher for potatoes.

Czechs Dump Footwear Here Is Complaint

OTTAWA (Staff) — Looming ahead for 1950 is the vexed question of what Canada is going to do about "dumping" of Czechoslovakian footwear and other products. The Government has already received complaints.

Statistics for the first nine months of 1949 show imports of 25,000 pairs of women's shoes valued at $38.000. That works out at $1.52 a pair. Comparable United States import figures would permit a slip-lasted shoe to be retailed at $1.95 and a cemented shoe for $2.79.

Though import volume is presently small in both countries, the dilemma is that Czechoslovakia is a member of the Geneva Trade Agreement group. As such, Canada is prevented from applying section 43 of our customs act against her imports.

This is the special "escape clause" under which Canada recently acted to apply arbitrary values to imports of Jap wool gloves and mitts. Japan is not a member of the Geneva "Club." Therefore the arbitrary valuations clause can be used against her goods.

Since we are unable to apply arbitrary values against Czech goods, the only recourse under Geneva, would be to apply dump duties if we found exports to Canada were being sold here at less than their fair market value.

But with the Iron Curtain rolled down tightly, the chance of Canada getting an official check on market values with Czechoslovakia is almost completely zero.

Total Canadian imports from Czechoslovakia in the first nine months of 1949 were $5.6 million against $3.3 million in the same period last year. A breakdown for the full nine months is not yet available but in the first six months of 1949 out of total imports of $4.3 million, there was a special import of $1 million of cotton fabrics.

Most of the other imports were small items, the largest being $119,000 for worsteds and serges; $169,000 for motorcycles; $144,000 for wool yarns.

All Provinces Organize to Give Trade Fair Nationwide Boost

The provinces are going to take a more direct hand in next year's Canadian International Trade Fair (the third, to be held in Toronto, May 29-June 9).

As a result of an all-out drive across the country by Trade Fair officials in the past 10 days committees of businessmen and provincial government trade and industry promotion officials are now working in all 10 provinces to promote the Fair.

Among plans visualized are group industry exhibits from various provinces, special train and plane trips to carry business visitors from main centres to the Fair.

Direct participation with exhibits to promote industrial expansion, development of resources, indigenous products, (e.g. P. E. I. lobster, N. B. potatoes), tourist trade, etc., are being considered by all provincial governments.

Over-all result of this activity as foreseen by Trade Fair officials is that next year's Fair should give a truer national cross-section of Canadian industry.

As one official explained to The Post, "the cross-country drive we've just undertaken has shown very clearly that until we took the Fair 'on the road,' there was little understanding of how the Fair could be used as an essential instrument of trade promotion, how it was a 'must' for buyers of the widest range of products. In short, outside of Onttario and Quebec there was little understanding of what the Fair was all about."

Trade Fair Administrator Reg. H. Dayton, in Vancouver at midweek to complete arrangements in British Columbia following talks in Winnipeg, Saskatoon and Edmonton, told The Post: "The outlook for increased attendance and increased participation is most promising. The whole trip seems to be most successful."

Spearheading efforts of the working committees in each province are provincial trade and industry deputy ministers and commissioners, working closely with Boards of Trade, Chambers of Commerce and district organizations of the Canadian Manufacturers' Association. In several cases other trade organizations such as Retail Merchants Association and Commercial Travellers Association are co-operating.

In a number of provinces the committees are working on plans for group exhibits by industries. In New Brunswick, for example, 25 companies are to be approached as possible participants in

(Continued on page 3, col. 7)

Vast Shipping Deal Closing With U.K.

65 Vessels To Be Transferred to U. K. Registration As Move To Ease Shipping Crisis — Canada to Get Net Earnings in Dollars

By KENNETH R. WILSON

OTTAWA (Staff)—The biggest peacetime transfer deal in world shipping history is now being concluded between Canada and Great Britain.

The deal involves transfer to British registry of Canadian ships with a present value of $75 millions. Ownership will remain in Canada and net earnings will be paid in dollars to Canadian owners. The ships, however, would become "sterling" carriers. In the event of war, the vessels would be at once returned to their Canadian owners.

Some details of the deal are still under discussion but the principle has been approved. In the background also is an ultimate plan for a larger deal involving all the North Atlantic Pact nations. (This is the proposal for an "allied defense shipping pool" referred to last week by Prime Minister St. Laurent.)

But whether the larger NAP deal is consummated, the Canada U. K. transfer plan is now near completion.

How Plan Would Work

Essence of the plan is an arrangement whereby Canada's present merchant fleet, while remaining under Canadian ownership, will be largely operated as a "sterling" fleet under U. K. registry. We will continue to operate from Canada as Canadian vessels, some 40 or 50 ships (about 500,000 deadweight tons). These will continue to work as "dollar" carriers.

The remainder of the fleet while still retaining Canadian ownership, will fly British flags and will be operated for the Canadian owners as "sterling" vessels with U. K. crews, etc. Net earnings of this "sterling" branch of the Canadian fleet will be paid to the Canadian owners in dollars.

Aim of the plan is to retain Canadian title in case of an emergency, yet avoid complete lay up of these ships. Since devaluation, the chances of these ships operating profitably as dollar carriers is virtually nil. They would either have to be sold to foreign carriers or operate at a heavy loss under government subsidy.

In his statement to Parliament last week, Mr. St. Laurent reiterated the government's firm determination, not to maintain "a Canadian flag fleet by artificial means." He said: "It is not the intention of the government to maintain an industry at the expense of the taxpayer and of other export industries by the unhealthy method of subsidies unless countervailing considerations are very strong indeed."

Chief architect and negotiator of this unique transfer plan is J. V. Clyne, prominent Vancouver lawyer and present chairman of the Canadian Maritime Commission. Mr. Clyne is credited here with having conceived the idea of a big dollar-sterling transfer deal and of having fought long and hard to overcome technical obstacles both here and in London towards working it out.

Transfer of Ships

The Canada-U. K. deal as proposed is in two parts. One part involves physical transfer of some 65 ships presently operating under Canadian registry. The other part concerns 58 ships owned in Canada but which have been operated by the U. K. under wartime lend-lease arrangement, and which are due to return to Canadian registry in 1950.

Some details as to the handling

(Continued on page 3, col. 3)

Inside News

How 'Popular Stocks' Look

How do the 20 "most popular stocks" look today, two years after they were chosen by Canadian stock exchange members as the best to hold for three years? The record and analysis (p. 11).

Where Does Money Go?

Where does all the money go? A favorite question in every household. Dominion Statistician Herbert Marshall reports on the recent survey of living costs of 6,000 households which will be used to set up a revised cost-of-living index (p. 20).

How's Consumer Credit?

What's happening to consumer credit? How does it fit into our economy? What does the future hold? An expert gives his views (p. 27).

'Glass Sandwich' Wall

New construction techniques are undergoing technical tests to speed work, meet rising costs. The Post reports on a new wrinkle, a "glass sandwich" panel that may be a big step forward in low-cost, lightweight prefabrication material (p. 13).

Publish Election Costs?

Should parliamentary candidates be forced to publish figures of their election costs? It's being proposed by Britain's Herbert Morrison in a bill to be discussed in the British House before Christmas recess. London Calling by Adelphi (p. 32).

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Pace of Business

Department store sales in week ended Dec. 3 were 8% above a year ago. All provinces shared in the gain with greatest advance in Manitoba (12%), Ontario and B. C. (both 10%). Over-all sales for month of November were 3% ahead of Nov., 1948, with declines in Saskatchewan, Alberta and B. C. more than offset by advances in the rest of Canada.

Carloadings in week ended Dec. 3 totaled 77,719 cars compared with 78,972 in previous week and 81,321 a year ago.

Cattle sales in November totaled 208,974, off 14.8% from 245,322 last year. Eleven months total off 4.7% at 1,665,938 (1,748,791).

Hog sales in November were 514,154, increase of 29.2% from year ago (397,943). Eleven months total off 2% at 3,804,482 (4,322,736).

Meat stocks at Dec. 1 amounted to 75.1 million lb. compared with 66.9 millions on Nov. 1 and 84.2 millions a year ago.

Butter production in November was down 3.2% from year ago at 15.9 million lb. (16.4 millions). Eleven months total was 267.7 million lb., down 1.8% from 272.5 million last year.

Butter stocks at Dec. 1: 67.3 million lb. compared with 75.3 million on Nov. 1 and 46.7 million a year ago.

Margarine production in November was up to 7.2 million lb. from 6.8 million in October, 6.9 million in September. Eleven months total 65.7 million lb. Margarine stocks at Dec. 1 totaled 1.7 million lb. compared with 2.3 million on Nov. 1.

Wheat stocks at Nov. 24 totaled 169,979,200 bu. compared with 171,165,200 bu. on Nov. 17 and 180,141,900 bu. a year ago.

New motor vehicle sales in October amounted to 29,577 units at retail value of $59.8 millions against 21,110 at $41.7 millions last year, up 40.1% in volume and 43.4% in value.

Motor vehicle financing (new and used) in October totaled 22,057 for $20.4 millions against 14,012 for $13 millions in October, 1948, up 57.4% in volume, 56.9% in value.

Unemployment insurance claims in October totaled 77,091 compared with 59,080 in September and 43,620 a year ago.

Gold production in September reached highest monthly figure since November, 1942, at 364,301 fine oz. Was up 1.4% from 359,127 oz. in August, 23.5% from 294,963 in September, 1948. Nine months total up 16.6% at 3,012,472 oz. (2,584,187).

Lead production in September: 12,800 tons, up slightly from 12,700 in August, but 16.3% below 15,300 tons a year ago.

Zinc production in September: 22,900 tons, off 11.9% from 26,000 in August, up 15.7% from 19,800 a year ago.

Paint sales in September were valued at $5,954,400, up 2.4% from $5,813,500 a year ago. Nine months total off 4.9%, however, at $62.9 millions ($66.2 millions).

Labor income was estimated at $662 millions in September compared with $658 millions in August and $663 millions a year ago.

House completions in first nine months of 1949 totaled 62,998 units compared with 50,238 in same 1948 period. September completions totaled 7,563 against 6,667 in September, 1948. Housing starts in first nine months totaled 67,862 compared with 71,116 in 1948.

Commercial failures in first nine months of 1949 totaled 739 compared with 603 in 1948. Liabilities were up 34% at $15,144,000.

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THE ADVERTISING BUSINESS

By WALLACE GILLESPIE

Should Agency Commission Be Raised?

Here's Analysis of Revenue and Expenses Based on Billing

Lively item on the agenda of advertising organizations in coming months will be the request of Canadian agencies that their commission from publishers and other media be increased from 15% to 17%.

Core of a recent presentation by the Canadian Association of Advertising Agencies on the subject is an analysis of the revenue and expenses of a sample group of 14 agencies.

Quite apart from the conclusions drawn from the breakdowns—and these will be the subject of searching debate among advertiser, agency, and media groups—the analysis offers a picture of the financial structure of the advertising agency. This was a topic on which earlier Canadian information had been scanty.

Highlights of the analysis are:

(a) Billing volume almost quadrupled over 18-year period.

(b) Gross revenue rising since 1936, but it represents declining percentage of total billings.

(c) Expenses, while growing, also take declining percentage of total billings.

(d) Profit, either before or after taxes, has grown dollar-wise, but ratio to billings turned downwards last year.

(e) Employees, numbering 1,092, earned an average of $2,956 last year; handled an average of $35,300 in billings.

The survey was conducted through confidential reports which 14 agencies submitted to a trustee appointed by the Association. These agencies handled almost $40 millions worth of billings last year. This would indicate a 61.5% sample of all agency billings in Canada, estimated at $65 millions.

Reporting in five-year intervals from 1931 to 1946—with 1947 and 1948 added—the agencies handled the following volume of billings: (All figures are for the 14 agencies covered by the survey).

TOTAL BILLING VOLUME
14 Agencies

1931	$10,635,200
1936	10,984,350
1941	17,514,453
1946	29,815,500
1947	35,986,992
1948	39,992,805

Not all of the above figures are commissionable billings. Such items as fees or service charges have been multiplied by 6.5 to arrive at a figure approximately the same as it would be if they were commissionable billings. The latter is included in the amounts shown in the foregoing table.

How much did the agencies get out of it? Gross revenues have risen in each period except 1936. But the ratio of these revenues to total billings has been dropping, as shown below:

GROSS REVENUES

		% Total Billings
1931	$1,939,860	18.24
1936	1,774,430	16.16
1941	2,672,705	15.26
1946	4,579,660	15.36
1947	5,426,835	15.08
1948	5,962,927	14.91

CAAA offers three reasons for the declining ratio:

(a) Some daily newspapers used to pay more than the present 15% commission and 2% discount for cash, which is now the uniform basis of doing this business.

(b) Many weekly newspapers have reduced their commission rate from the 25% they used to allow, to 20% or to the 15 and 2 basis.

(c) Suppliers of materials, artwork, etc. have reduced their commission from 20% or 25%, to a straight 15%.

What about the other side of the ledger, the expenses which the agency has to pay? These have risen dollar-wise since 1936, but they take a declining percentage of total billing, as follows: (the lower 1941 percentage partly reflects absence of staff members in armed forces).

TOTAL EXPENSES

		% Total Billings
1931	$1,782,459	16.76
1936	1,602,616	14.59
1941	2,275,127	12.99
1946	4,031,055	13.52
1947	4,743,085	13.18
1948	5,259,053	13.15

By subtracting total expenses from gross revenues, a figure is arrived at which represents profit before taxes. It is higher at each period. As a per cent of billing volume, it reached a peak in 1941, declined last year.

PROFIT BEFORE TAXES

		% Total Billings
1931	$157,401	1.48
1936	171,814	1.56
1941	397,578	2.27
1946	548,605	1.84
1947	683,750	1.90
1948	703,875	1.76

The effect of taxation in later years, notably in 1946, is shown in the following table. Net profit has grown at each period. But, as a percentage of total billings, it dropped last year.

NET PROFIT (After Taxes)

		% Total Billings
1931	$142,511	1.34
1936	144,993	1.32
1941	229,439	1.31
1946	247,468	.83
1947	421,047	1.17
1948	431,922	1.08

The analysis also permits examination of the main items which make up agency expense. These are management remuneration, all other salaries, and all other expenses.

First, management remuneration has grown at every period except 1936. But it represents a declining percentage of total billings, as follows:

MANAGEMENT REMUNERATION

		% Total Billings
1931	$296,722	2.79
1936	287,789	2.62
1941	359,046	2.05
1946	444,250	1.49
1947	547,002	1.52
1948	587,894	1.47

Other salaries have also risen dollar-wise at every period except 1936. As a ratio to billings, they reached their low point in 1941 when many staff members were in war service, the government was spending more on advertising, and the inflationary movement was not yet well under way.

ALL OTHER SALARIES

		% Total Billings
1931	$932,707	8.77
1936	724,967	7.33
1941	1,155,953	6.60
1946	2,453,815	8.23
1947	2,835,774	7.88
1948	3,227,419	8.07

By adding together management remuneration and other salaries, a figure is shown for total wage and salaries. CAAA points out that this item has taken roughly 63% of their revenue. By comparison, Canadian manufacturers pay out 24% of sales revenue as "wages, salaries and employee benefits." All an agency has to sell is people, it is explained; it cannot unload work on the machine, and therefore does not enjoy the economies of high scale production.

WAGES AND SALARIES

		% Total Revenue	% Total Billings
1931	$1,229,429	63.4	11.56
1936	1,092,942	61.6	9.95
1941	1,515,000	56.7	8.65
1946	2,898,066	63.3	9.72
1947	3,382,777	62.3	9.40
1948	3,815,313	64.0	9.54

All other nonsalary items which enter into the "Total Expenses" figures previously shown are grouped in the following table. These expenses have been higher at each period since 1936. As a ratio to billings, they have dropped steadily throughout.

ALL OTHER EXPENSES

		% Total Billings
1931	$553,030	5.20
1936	509,673	4.64
1941	760,127	4.34
1946	1,132,989	3.80
1947	1,360,308	3.78
1948	1,443,742	3.61

The 14 agencies included in the sample added to their staffs at every period. Last year, the number of employees, while down slightly from 1947, was still 171% above 1931.

TOTAL EMPLOYEES

1931	403
1936	463
1941	625
1946	870
1947	1,101
1948	1,092

The average pay received by these employees dropped from 1931 to 1936, but has risen since to reach $2,956 last year, a figure which CAAA says is not out of line with the type of talent required.

AVERAGE REMUNERATION
(All Employees)

1931	$2,313
1936	1,739
1941	1,850
1946	2,819
1947	2,575
1948	2,956

The average employee handled a greater dollar volume of billings last year than at any previous period, but CAAA says it doesn't follow that an actual increase in the physical volume of work was handled by each employee. The increase, it explained, does not even take care of the increase in rates for space and mechanical services, much less indicate that agencies benefit from economies of mass production.

AVERAGE BILLING
PER EMPLOYEE

1931	$26,400
1936	23,700
1941	28,000
1946	34,300
1947	31,500
1948	35,300

Furthermore, the Association contends, agencies are now operating on small safety margins. The net profit they have left at the end of each fiscal year is the only resource they have to build reserves, to provide for expansion, or to promote new business.

Four agencies with 1948 billing volume between $450,000 and $900,000 are computed to have a "break-even point" of 88.9% of billing volume.

Eleven agencies with billing volume between $1,250,000 and $2,500,000 have a break-even point of 92.4% of billing volume.

Four agencies with billing volume between $3,500,000 and $8,000,000 have a break-even point of 86.1%.

Thus, the three groups could, it says, sustain a loss of billing volume of only 11.1%, 7.6%, and 13.9% respectively before going into the red, or drastically cutting personnel, since wages and salaries are nearly two thirds of expenses. An increase of 2% in commission would, it estimates, help to bring the average net profit closer to 2%.

Dollar figures shown in the foregoing tables (except total billing volume) have been computed by The Financial Post on the basis of percentage appearing in the CAAA brief.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

American Geographical Society (New York)—Prof. George Kimble (Montreal) executive director.

Brantford Coach & Body Ltd. (Brantford) — Norman H. Bell, sales manager; Gordon R. Capel, secretary-treasurer.

Canada Health & Accident Assurance Corp. (Waterloo)—Bernard Berlin, assistant general manager at Montreal.

Canadian Dredge & Dock Co. Ltd. (Midland, Ont.)—Dr. T. H. Hogg, a director.

Canadian Institute of Stove & Furnace Manufacturers (Toronto)— H. A. Gauvin (Montmagny, Que.), president; A. L. Acton (Ottawa), vice-president; C. A. Roberts (Wingham, Ont.), H. T. Williams (Toronto), J. P. Thibault (l'Islet, Que.), G. E. Findlay (Carleton Place, Ont.), directors.

Canadian National Railways (dept. of colonization and agriculture) — (Montreal) — F. B. Kirkwood, superintendent of settlement; C. D. James, assistant to director.

Canadian National Railways (Montreal)—W. J. Parker (Winnipeg) a director.

Claude Neon Ruddy Kester Ltd. (Winnipeg) — E. Richard Hazell, neon division manager.

J. H. Connor & Son Ltd. (Ottawa)—Robert L. Cummins (Toronto) sales manager, western division.

Dawson-Crighton Ltd. (Vancouver) — W. Clark Dawson, president, John D. Crighton, managing director (new brokerage firm).

Dept. of Veterans Affairs (Ottawa)—Dr. J. F. Bates (Sydney), a commissioner.

Empire Wallpapers Ltd. (Toronto)—Morris W. Johnson, manager at Saint John.

Engineering Institute of Canada (Montreal) — M. A. Montgomery, chairman, Kitchener branch (new).

General Trust of Canada (Montreal)—Gerald G. Ryan, a director.

General Western Supply Co. (Winnipeg) — George V. Mackie, vice-president.

Guarantee Company of North America (Montreal) — Harold V. Gilbert, underwriting manager.

Great-West Life Assurance Co. (Winnipeg) — Ernest H. Reed, manager at Fort William.

Insurance Co. of North America (Toronto) — Murray I. Stewart, manager, Maritime dept., Moncton; James Symington, manager at Winnipeg; F. A. Mills, manager at Montreal.

Investment Bankers' Association of America (Chicago)—C. G. Fullerton, (Toronto), Canadian governor.

C. Kanellakos & Co. Ltd. (Montreal)—C. Levine, (Winnipeg), sales representative for Manitoba.

W. T. Kirby Ltd. (Toronto)—J. Guthrie Wallace, sales promotion manager.

Life Agency Association (Toronto)—John F. Tourgis, president; M. R Hamilton, vice-president.

Life Managers' Association (Saint John)—E. N. Sangster, president.

Manitoba Associated Chambers of Commerce (Winnipeg)—E. C. Gilliat, president.

Manitoba Gov't (Winnipeg) — Harold Wells, to organize three new registered trapline systems.

Monarch Overall Mfg. Co. Ltd. (Winnipeg) — H. Aaron, sales manager.

Montreal Stock Exchange & Montreal Curb Market (Montreal) — J. E. McKenna, general manager.

National (U.S.) Warm Air Heating & Air Conditioning Association —R. V. Millar (Toronto), D. S. Fisher (Sackville, N.B.), directors of Canadian chapter (Toronto).

Northern Electric Co. Ltd. (Montreal)—E. D. Bent, chief engineer, wire and cable division; K. M. Bissell, A. G. Haley, staff assistants, eastern and central sales districts.

Ontario Automobile Co. Ltd. (Toronto)—Albert Bear, vice-president.

Ottawa Builders' Exchange (Ottawa) — A. Burke Doran, president (new).

Pacific Mills Ltd. (Vancouver) — O. D. Hallin, manager, timber dept.; vice-president, Northern Pulpwood Ltd. and Badwater Towing Co. Ltd.

Pilkington Brothers (Canada) Ltd. (Toronto)—Donald H. Jupp, assistant general manager; Gordon S. Hull, glass sales manager.

Prince Edward Island Gov't. (Charlottetown) Hon. J. Walter Jones (premier), minister of public works and highways.

Pulp & Paper Research Corp. (Montreal)—Lincoln R. Thiesmeyer, president.

Rogers Majestic Ltd. (Leaside, Ont.)—R. S. Williams, manager, receiving tube sales.

Saint John Board of Trade (Saint John, N.B.)—C. R. Wasson, president.

Stanley Brock Ltd. (Winnipeg) — Stanley Brock, chairman, board of directors; J. F. Keyes, president and general manager; G. A. Coughlin, a director.

Sun Life of Canada (Montreal)— R. A. Dorrell, manager, Toronto York branch.

Dept. of Transport (St. John's)— Capt. R. J. Randell, district marine manager.

Toronto General Trusts Corp. (Toronto)—W. H. Mowat, assistant general manager.

Vancouver Executive Association (Vancouver)—H. J. Young, president; C. D. Valpy, vice-president.

Vancouver Merchants' Exchange Ltd. (Vancouver)—Ralph D. Baker, president; J. A. Lindsay, P. V. O. Evans, vice-presidents.

Walsh Advertising Co. Ltd. (Windsor)—J. Everett Palmer, radio director, Toronto office; Charles D. Truman, television co-director; Gordon E. Howard, radio account supervisor.

Young & Rubicam Ltd. (Montreal)—George H. Poland, manager at Montreal.

Retirements

Brantford Coach & Body Ltd. — John B. McTaggart, secretary-treasurer.

Canadian National Railways — James Murphy, engineer of surveys.

Sun Life Assurance Co. of Canada — John E. Newdick, manager, Toronto York branch.

Obituaries

Senator A. B. Copp, 79, Newcastle, N.B., Secretary of State in the Mackenzie King government in 1921.

Senator George Penny, 51, Ramea, Nfld., merchant and exporter.

John Leslie, 88, Montreal, former vice-president and treasurer of the CPR.

Burdick A. Trestrail, Toronto, industrial and merchandising counsellor, radio pioneer.

Frederick Hugh Thompson, 42, Toronto, assistant sales manager of Premier Vacuum Cleaner Co.

Ferdinand Spielman, 68, Montreal, president of Spielman Agencies, helped found Canadian Jewish Congress.

Charles Edwin Mahon, 79, Vancouver, retired insurance underwriter for Excelsior Life.

WAREHOUSE SPACE AVAILABLE

Ample public storage space in our new, heated premises, free and in bond, truck level loading, CNR & CPR siding, trucking, distribution, reasonable rates.

CONSOLIDATED WAREHOUSES CORPORATION
2485 St. Patrick Street, Montreal
Telephone Fitzroy 8505.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

J. Walter Thompson Co. (Toronto) reports client, Lamont Corliss and Co. increasing national media insertions with special Quebec, Newfoundland campaign. Ponds continues evening programs, "John and Judy," over CBC Trans-Canada and "Ceux Qu'On Aime" over Radio Canada.

* * *

Young & Rubicam Ltd. appoints George H. Poland as manager of its Montreal office. With agency since 1940 except war service, he moves from Toronto office.

* * *

Cockfield, Brown & Co. (Vancouver) says Delnor Frozen Foods Ltd. is releasing newspaper campaign on new product, Delnor Fresh Frozen Concentrated Orange Juice, recently introduced to Canadian market.

* * *

James Lovick & Co. (Montreal) appointed by four Canadian vinegar companies to direct joint advertising campaign in 1950. Firms are Lion Vinegar Co., Montreal; Kent Foods Ltd., Canning, N.S.; Canada Vinegars Ltd., Toronto; and Western Vinegars Ltd., Winnipeg, Calgary, Edmonton, and Vancouver. Campaign uses dailies coast to coast, with trade paper copy merchandising consumer ads to retailers.

* * *

Erwin, Wasey of Canada Ltd. (Toronto) appointed by Fleury-Bissell Ltd., Elora, Ont., manufacturer of farm and garden equipment, to direct advertising in Canada and U. S.

* * *

Russell T. Kelley Ltd. (Toronto), recently appointed by Adam Hats (Canada) Ltd., places one- and two-column size ads on women's pages of major dailies, to feature gift certificates for men's hats.

* * *

J. Walter Thompson Co. (Toronto) reports special Christmas advertising for Elgin watches will run in national magazines (half to two thirds of page) and selected Canadian dailies (500 lines). Copy points up features which won client 1949 Fashion Academy Award.

* * *

Muter, Culiner, Frankfurter & Gould Ltd. (Toronto) says Hunt's Ltd. are running full-page ads promoting Chocolates and Cutie Pops during Christmas season. In West, dealers' names are listed; in Toronto, campaign is supported by daily radio newscast.

* * *

Ronalds Advertising Agency Ltd. appoints Ray Pauli as production manager in its Toronto office. He will be assisted by Ernest Allen, formerly with Canadian Daily Newspaper Association.

* * *

Cockfield, Brown & Co. (Vancouver) handles new H. R. MacMillan Sales Ltd. campaign on Sylvaply, Douglas Fir waterproof-glue plywood. Client makes half of Canada's plywood, as well as specialty plywoods, is building $12.5 millions pulp mill on Vancouver Island.

* * *

Muter, Culiner, Frankfurter & Gould Ltd. (Toronto) reports biggest December advertising expenditure in Virginia Dare Ltd.'s history was introduced with seven-column full-page depth ad to be followed with 1,000-line insertions. These are running in 17 Ontario dailies.

* * *

Erwin, Wasey of Canada Ltd. (Toronto) appointed to handle advertising of Barret Bob Pin Co., Toronto. Plans for 1950 are said to involve new approach in this field.

* * *

The Consumers' Gas Co. of Toronto appoints James Leith as supervisor of advertising. George M. Douglas is appointed superintendent of sales promotion department, succeeding the late John McLaverty.

* * *

Muter, Culiner, Frankfurter & Gould Ltd. (Toronto) prepared Rose Marx Brassieres Ltd.'s 1,200-line ad, running in Toronto, Winnipeg, Vancouver, Windsor, Montreal, and Ottawa, to introduce new Rosette Braz, featuring foam-rubber insert.

* * *

Le Droit, Ottawa daily newspaper, appoints Shannon & Associates, with offices in nine American cities, as U. S. representative.

EMPLOYEE BENEFIT PLANNING — WITHOUT PREJUDICE

Since we are absolutely independent experts in employee benefit planning, we are able to create the most appropriate type of such plan — self-administered, trusteed, reinsured. Our 22 years of experience in pension and employee benefit planning has been of service to governments, employers, trade unions and other groups. For these clients we have designed new plans, improved existing plans, determined costs, obtained government approval, instituted records and procedures — in fact have given a complete service. Your inquiry is invited.

PIPE AND ECKLER
CONSULTING ACTUARIES
Independent and Qualified Experts in Pension and Employee Benefit Plans.
62 Richmond St. W.
WA. 9585 — Toronto

CERTIFICATE OF INSURANCE

Notice is hereby given that Certificate of Registry No. C 1189 has been issued to the Reliance Insurance Company of Philadelphia (Philadelphia, Pa.) authorizing it to transact in Canada the business of Fire Insurance and, in addition thereto, Civil Commotion Insurance, Earthquake Insurance, Falling Aircraft Insurance, Limited Hail Insurance, Limited or Inherent Explosion Insurance, Sprinkler Leakage Insurance and Windstorm Insurance, Limited to the insurance of the same property as is insured under a policy of fire insurance of the company.

J. J. Kilgour, chief agent in Canada.
Toronto, Ont., Dec. 12, 1949.

PRIDE OF SWITZERLAND
OMEGA
Only Official Timer
OLYMPIC GAMES
11

MAYFAIR

MEN: WHY ARE YOU INVITED TO PARTIES?
WHAT DO PEOPLE SEE IN YOU?

ARE YOU A NICE CHAP TO HAVE AROUND?
OR ARE YOU MERELY WEALTHY?

Identify yourself socially by the latest scientific means. Use the socianalytical chart in Mayfair for December.

YOU CAN PHONE YOUR SUBSCRIPTION TO
MAYFAIR MAGAZINE
DOMINION SQUARE BLDG., MONTREAL,
481 UNIVERSITY AVENUE, TORONTO
A Maclean-Hunter Publication

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

CERTIFIED PUBLIC ACCOUNTANT wishes to locate in ALBERTA or BRITISH COLUMBIA. Thoroughly experienced in office management and industrial accounting techniques including management reporting, budgetary control and costing procedures. Proven organizing ability. Fifteen years of practical experience including seven years in executive positions. At present employed as Comptroller and Secretary-Treasurer of large Canadian Company. Age 35. Excellent references. Box 351, The Financial Post, Toronto.

FOREIGN TRADE

LAWYER, 1948 GRADUATE, age 29, Bachelor of Arts, ex-Naval Officer, travelled extensively in British, Dutch, U. S. and French West Indies, and North part of South America, desires to enter business, preferably in the field of foreign trade or shipping. Willing to travel. Box 359, The Financial Post, Toronto.

SINGLE MAN, bookkeeper-accountant, 20 years experience, financial statements, income tax returns, take full charge of books. Go anywhere. Box 362, The Financial Post, Toronto.

BUSINESS ADMINISTRATION Graduate, 34. Eight years experience in cost control, Labour and Personnel Relations. Desires executive position requiring sound aggressive administration. Box 363, The Financial Post, Toronto.

POSITIONS AVAILABLE

QUALIFIED ACCOUNTANT

(AROUND THIRTY) with commercial experience required as Senior in Audit Dept. of progressive Retail Group. Apply giving details of education and experience to Box 361, The Financial Post, Toronto.

ACCOUNTANT — OFFICE MANAGER PROGRESSIVE manufacturing company in Western Ontario city requires experienced accountant. Must be capable of supervising all accounting and directing staff. Costing experience desirable. Applicants should provide full information as to education, experience and general background and supply, a recent picture. Apply Box 360 The Financial Post, Toronto.

REAL ESTATE

Contracting Business. Good central location, Main Street of Flin Flon. Good turnover, clean stock, good equipment. Long term leased premises at reasonable rent. Population approx. 11,000. For further particulars apply to:- Flin Flon Realty, Flin Flon, Man.

FOR SALE

EXECUTIVE DESK, beautiful oak, plate-glass top, 72" x 34", like new. Phone Toronto, PLaza 6717, 9 to 5.30 p.m. HArgrave 3461 after 6.

REPRESENTATIVES AVAILABLE

EXPANDING MARKETS IN ALBERTA? We will represent manufacturers of quality merchandise. Hardware lines preferred. Box 355, The Financial Post, Toronto.

AGENCIES WANTED

MANUFACTURERS AGENT covering Province of Quebec industrial plants wishes additional line of top quality mill supplies or mechanical equipment. Please write Room 405, Canada Cement Building, Montreal.

QUEBEC SALES AGENTS calling on Industrial Plants in Quebec and Maritimes require one additional line top-quality merchandise. Rated manufacturers only. Write Room 405, Canada Cement Bldg., Montreal.

MANUFACTURERS AGENT, Selling Lumber & Timber, covering Northwest Quebec mining district, wishes additional line of Building materials, construction industrial & mining machinery. Write J. R. Cote, P.O. Box 13, McWatters P. Que.

BUSINESS OPPORTUNITIES

IMPORTANT RETAIL
MERCHANDISING
OPPORTUNITY

Christian's Electric and Hardware, which has been operating in Oshawa successfully for many years as the leading hardware and electrical appliance store in the city, featuring hardware and electrical appliances, sporting goods, china, and allied lines, is being offered for quick sale as a going concern at a bargain.

EQUIPMENT, STORE FIXTURES,
OFFICE EQUIPMENT, TRUCK, etc.
$15,000.

INVENTORY AT WHOLESALE COST
ANNUAL TURNOVER HAS EXCEEDED
$400,000.

This store enjoys many of the leading Canadian manufacturers' electrical appliances and equipment franchises. Extensive business interests at Lake Simcoe requiring full time and attention makes this sale imperative at once. Telephone or write D. H. CHRISTIAN, Sutton, Ontario—Telephone 184, or Mr. Bailey, Store Manager, Oshawa, Telephone 1000.

PARTNER WANTED

LONG ESTABLISHED Textile Selling Agent desires young, aggressive partner. Ten exclusive lines represented for Ontario, some world famous. This is a splendid opportunity for a father to set his son up in a profitable and interesting business. $10,000 required. Box 365, The Financial Post, Toronto.

Xmas Customers Choosy Retailers Are Finding

(Continued from page 1)

hot cakes, one man said. Furs selling well, in some cases at slightly lower prices, and with better workmanship. Women's apparel generally slower, not quite as good as before, due to fact that no major style change this year, it's said.

British goods said not selling much better than before devaluation due to U. K. manufacturers' inability to give firm price and delivery date in buying season. All retailers agree public more selective now, but still have money, and are buying freely. Customer has a wider choice, is looking at both price and quality.

TORONTO: Well up over last year. Most retailers thoroughly happy. Steady stream of shoppers noted in bigger stores since mid-November with shoppers seemingly sold on idea of avoiding last-minute rush. Buying said "terribly selective" by one department store executive, with customers watching price and quality much more carefully. Women's fashion goods noted as rather slow; television and radio sales doing "exceptionally well" in department stores with "surprising number of television sets going to many of the middle-income group."

Imported goods — especially toys from Germany and U. S. very popular with some price reductions, and more mechanical items.

Budget buying more noticeable; has probably increased in greater proportion than sales maybe because of increasing availability of larger items — stoves, refrigerators, etc.

English imports particularly popular in such items as leather goods, china, Sheffield and Victorian plate and old silver with lower prices resulting from devaluation.

Volume in furs seen about same as last year though dollar values off due to lower prices. Book sales up; heavy buying in toys.

WINNIPEG: Slow now, but should equal 1948. Unseasonably mild weather slowed up buying and trend at present down compared with last year. Overcoats, fur coats, winter apparel generally not moving as fast as usual. Shopping slow, careful and prices watched keenly. Most merchants expect a rush in last two weeks and even though volume is currently down on last year, they think total may be about equal to that of 1948. In larger department stores transactions up on last year. Dollar volume offset however by lower prices than in 1948. Credit bureau enquiries running about 15% ahead of last year in urban centres.

REGINA: Down on last year unless there's last-minute rush. Late snows and unseasonably warm weather have caused substantial drop in pre-Christmas business in department stores of around 15%, though certain items, such as jewelry and silverware, selling better. Most drastic reduction, merchant say, has been in men's and women's clothing and footwear. Unless Christmas business picks up and booms in next two weeks, volume expected to be considerably under that of 1948.

EDMONTON: Slow now but should equal 1948. Unusually prolonged snowless fall has retarded early pre-Christmas buying. One department store manager said, "the effect has been psychological — not seeing any snow, customers find it hard to believe Christmas is so close." Effect chiefly felt in winter clothing, skis and sleighs, other sporting items. Christmas business expected to equal last year's.

VANCOUVER: About the same as last year. Until last week most merchants reported trade actually down a little; people seemed to have postponed shopping. Now stores, generally, think they'll hold their own, maybe pass last year. Department stores up a little; first week in December 10% in volume over 1948. Vigorous competition inspired by entry of Eaton's started rash of sales, so actual dollar volume probably not up. Most smaller stores, either just holding own or down slightly.

Trend in various lines: radios, about same as last year with confusion over RCA and Columbia records and players responsible. Furniture, down on heavier items, up on smaller goods. Men's and women's clothing, down. Jewelry, about same in larger stores; diamond sales up. Some smaller shops suffering from competition between larger credit stores. Groceries, large stores and chains say business up nearly 11% but smaller stores just holding own. Electrical appliances, down a little but expect to be even with 1948. Toys may be ahead of last year. Collections a little slower than last year, but still no trouble.

CALGARY — Slightly better than last year. Selective buying keynotes Calgary Christmas trade. Shopping by price attitude from most customers. Radio sales good but big supply tends to make customers wary in what they select while furniture business generally has had a good season with many shoppers buying for the house rather than for individuals. Fur sales, a luxury item on the Prairies, fairly good. Demand for higher-priced jewelry light.

HAVING TROUBLE WITH YOUR
CHRISTMAS SHOPPING LIST?

Records make lovely gifts and our large stock makes selecting them quite simple. Just bring or send us your list and one of our experienced *Recordaides* will take over.

FOR THAT GIFT OF GIFTS, WE SUGGEST
AN R.C.A. VICTOR TELEVISION SET

Promenade Music Centre
83 BLOOR STREET WEST and 1435 YONGE STREET
MI. 2437 PR. 1334
Both Stores Open Every Evening Until 9 p.m.

Wish Her "Merry Christmas"
with gifts by
helena rubinstein!

You'll gladden her heart Christmas morn' with exquisite creations by Helena Rubinstein!

"Glitters", wonderful Helena Rubinstein Gift Sets exquisitely wrapped for you . . . in dazzling gold or silver paper! Your choice of 3 precious "Glitter" Sets . . . Command Performance Eau de Parfum and Sachet Powder, 4.75; Command Performance Eau de Parfum and Dusting Powder with Puff, 6.25.

To carry in her purse! Famous 4-Color Keys to Beauty—four lipsticks on a chain—plus mirror! Perfect for 'teensters! 2.00.

She'll adore this gorgeous, sophisticated Baroque Vanity with lipstick clasp. In superb black and gold enamel, or ivory and gold, 6.50.

helena rubinstein
126 BLOOR ST. WEST, TORONTO

Simpsons Sells $4.5 Million New Note Issue

Simpsons Ltd. has sold through Wood, Gundy & Co. $4.5 million 3½% secured term notes, series "A", maturing as to $1.5 million principal amount in each of the years 1957-59 inclusive.

Prior to this sale, the company had outstanding $10 million secured term notes series "A" maturing in each of the years 1950-56. There are presently $20 million principal amount of these notes authorized, of which $14.5 million will now be outstanding.

These notes have been placed privately and proceeds will provide additional funds to finance the substantially increased volume of business.

Ship Transfer Part Answer To Problem

(Continued from page 1)

of this latter group of ships are still under discussion. Consummation of the deal once it is concluded will be gradual. There won't likely be any mass movement of Canadian vessels across the Atlantic.

The transfer has many advantages to both sides. It also involves some problems. Once the ships are transferred to U. K. registry, they will employ British crews instead of Canadian. Thus the British will be able to pay wages in sterling and meet the lower rates which non-dollar vessels are able to charge.

These ships will also become eligible to carry the unallocated share of ECA cargoes and thus earn dollars for U. K.

Britain's dollar shipping costs vis-a-vis Canada will be reduced, and it is expected that on balance she will save (or earn) about as many dollars as she will be required to pay Canadian owners by way of net profits.

From the Canadian Government viewpoint, the deal has important advantages in that Canadian ships, instead of being laid up, will be able to earn some dollars towards reducing the substantial mortgage which the government still holds on the vessels. Average present worth of each vessel is about $600,000.

The next phase of the new plan is the eventual creation of an Allied defense shipping pool among the NAP nations. Preliminary discussions are already under way on this at Washington and elsewhere. The plan has been approved at official levels; must be okayed at the top. It may take many months to work out detail, but the Canada-U. K. deal assures us of a wartime emergency reserve fleet. This means that Canada's role in such a pool is, in effect, now looked after. The Canada-U. K. arrangement would be looked on as Canada's contribution to the Allied pool.

Pending ultimate transfer of the Canadian fleet, the government has announced a one-year $3 millions interim subsidy. This is expected to apply to about 40 of the 50 ships which would remain under Canadian registry once the Canada-U. K. deal is consummated. It would work out at about $75,000 a ship.

Net employment in the Canadian merchant fleet once the Canada-U. K. deal is consummated would be about 1,600. To assist transfer of presently employed crews, the government has extended its vocational training scheme to admit eligible men who apply before Sept. 30, 1950.

Earning power of the ships remaining under Canadian registry would depend on ability of owners to reduce costs and also on the number and variety of dollar freights available. Canada has never been able to compete for the great bulk of world shipping which is carried in sterling freights. And lately the volume of dollar freight has dried up considerably, due in part to the operations of ECA.

Look For It Here

Dec. 17, 1949

REGULAR FEATURES

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What's Outlook In '50 For Canadian Farmers?

(Continued from page 1)

hope that a little of the money earmarked for wheat might be diverted to more or less minor purchasing of a few other commodities but only at sharply reduced prices. Perhaps up to $25 millions might be made available in this way, he said, which would give us a U. K. market for some cheese and possibly up to 50 million pounds of bacon. To realize what a drop in the bucket that would be, it is only necessary to remember that during the height of wartime purchasing by Britain, Canada sold her almost 800 million pounds in a single year.

To the suggestion made by spokesmen from organized agriculture that the Canadian Government underwrite this former purchasing by Britain and maintain prices somewhere close to present levels, Mr. Gardiner was equally blunt.

The federal authorities, he said, has neither the authority nor the desire to continue the wartime controls that would be necessary.

Our Prices Too High?

The audience, which included senior offficials of federal and all provincial agricultural departments as well as representatives of the Canadian Federation of Agriculture, was told plainly that Canadian food prices were too high and warned that substantial decreases were to be expected this year.

While Mr. Gardiner and others were critical of Britain's decision to turn away from a food source that had been so vital in the last war and might be so again, the federal minister at least stated frankly that our prices were now out of line. Britain, he declared, was buying bacon, cheese and other commodities from European countries, Australia, New Zealand and even the Argentine at substantially lower prices than Canada had been asking.

The differences quoted by Mr. Gardiner were roughly equivalent to the recent devaluation in the pound and other soft currencies, though that factor was not mentioned. When the pound was chalked down last September, our food producers heard a lot about how much cheaper they would be able to buy British goods, but very little about how much more Canadian food would cost the British. Now they are beginning to realize that point.

Unless we were prepared to eat up all our food surpluses ourselves and our consumers were willing to pay high prices, Mr. Gardiner hinted plainly that we would have to be prepared to meet world competition.

What it Means to Canada

After all this plain speaking, the conference came down to earth and began to figure what the necessary readjustment would mean to Canadian agriculture and the Canadian economy in general. On the whole, the immediate picture was not too discouraging.

Biggest "if" is domestic purchasing power next year provided this would be maintained at somewhere close to present levels only a moderate decline from present near record levels of farm income was expected. Some of the losses in the British market could be made up by larger sales to the United States and with lower prices there was some hope also of expanding exports elsewhere.

A big and favorable factor in the present situation was the almost complete absence of any great carryovers.

The two big immediate worries, it was reported, were eggs and bacon. Sharply lower prices and a drastic cut in production were predicted for the former.

Lower prices were also expected in bacon. Without a fair outlet in Britain a considerable surplus was likely to build up over the next six months. A little of this might be sold in the United States but this might be offset by opening our market to American pork.

With the British market permanently out, of course, the bacon industry of Canada would suffer a most serious blow, and for both the primary producer and the processor. But if present domestic consumption could be maintained and a little net sale made to the United States, we might get along with something very close to present modest production. That, of course, is far below the wartime swollen output, but during that period too we had a series of big feed crops including two bumpers. But it would be much bigger than prewar. The Canadians consumed 55,000 to 60,000 hogs weekly. Now it takes 80,000 to 85,000 to keep them supplied.

In all this near complacency, however, there are danger signals to watch. No one on this earth has yet learned to predict the size of next year's crops. If they were very big, unwieldy surpluses could develop either of the grain itself or of the livestock fed that grain. In that case, a major crisis could build up quickly not only for agriculture but for our whole economy.

Above all, everything depends on continuance of something close to present record domestic consumption and to maintain that, if farm exports start to fall off seriously, would prove quite a problem indeed. And even if we were able to maintain it, in the long run for permanent prosperity we must have substantial exports for many major farm lines. We might be able to get along for six months or a year, but not indefinitely. As one conference delegate put it: "our hens are going to keep on laying, our hogs fattening and our cows milking. We can't stop them and we can't eat it all ourselves."

See Big Boost Ahead In Our AtomicProgram

(Continued from page 1)

vestigated the Chalk River project was that Canada is presently like a company that's offering to sell transportation service and has only one airplane.

If anything happened to the Chalk River "pile" or "reactor" (as it is more properly called) then our whole present leadership in this field might disappear. Many thousands of workers and topflight scientists would be unable to carry on their work; and it might be hard to keep them in Canada because we'd have to wait until another reactor could be built. (The "reactor" is the main unit in an atomic energy project).

By dint of capable leadership and both technical and scientific skill, the Chalk River project is rated the best of its kind in the world.

What's hoped for by the new proposals is to maintain this leadership.

Meanwhile, a considerable amount of new knowledge has been gained about construction and efficiency of such a pile.

The hope is that the proposed new development could proceed slowly and gradually. To date, all the atomic energy plants in the world have been built hurriedly. Canada is looking to a peacetime operation which will be the last word in efficiency and design; flexible enough to meet any likely new turn which atomic energy development may take in the next decade.

One prime objective would be to give Canada a considerable and expanding surplus of plutonium for use either domestically or as an export. Ultimately, plutonium may become one of the most important of all elements for industrial or peacetime uses. With Canada assured of ample supplies of raw material from which to make plutonium, it is considered vital that this country keep out in front in a project which will produce plutonium both for our own needs and for export.

Thus the initial aim of the new proposal would be to build a reactor capable of producing plutonium over and above Canada's needs. We would then be able to adapt our program along any one of a number of avenues, depending on how usage and research develops.

There is no suggestion yet in Canada that the time has arrived when atomic energy projects should be turned over to private enterprise. The new proposals involve what is still basically a "research tool" even though there will be a surplus of plutonium that would be available for sale or export.

Until Canada decides to go into commercial production on a very much bigger scale, the plan is to keep the development under present auspices as now set up, National Research Council acts as the agent for the Atomic Energy Control Board and operates the Chalk River and other atomic energy projects.

UNITED CO-OPERATIVES OF ONTARIO operating earnings for the year ended Sept. 30, 1949, amounted to $313,669. A profit on disposal of fixed assets amounted to $8,234. After patronage refunds of $253,613, $25,827 provision for income taxes and preferred dividends of $39,326 net surplus for year amounted to $12,137.

Mr. Edgar G. Burton
President, Toronto Board of Trade, *says:*

"Welfare Enterprise should not be approached by businessmen grudgingly, or as charity with no return, but it should be undertaken positively at the best investment in the world . . . I suggest that a vigorous program of welfare enterprise by the great majority of Canadian employers could raise industrial productivity to perhaps double the normal rate of annual increase which would tremendously improve the standard of living of our people in a remarkably short time."
(Quoted from Financial Post, Dec. 3rd, 1949.)

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Provinces To Aid Fair

(Continued from page 1)

group exhibits. A similar pattern is expected to develop in other provinces.

A provincial government subsidy to exhibitors has been suggested in New Brunswick. In Prince Edward Island a government exhibit devoted to potatoes, dairy products, lobsters, oysters is being suggested.

Prairie provinces are talking in similar terms on products particularly identified with the province concerned.

In Quebec, Deputy Trade Minister Louis Coderre is actively promoting the Fair among smaller firms, has told Fair officials he is "anxious to ensure that Quebec's industry is strongly represented in relation to other provincial representation, that Quebec businessmen form a very large part of the attendance." In this province, the 13,000-member Federation des Chambres de Commerce des Jeunes is giving monthly space in its bulletin to the Fair, is putting a big effort into publicity aimed at other business groups. The junior Chamber is similarly active in other provinces.

In every province, say Trade Fair officials, there has been a sincere and enthusiastic reception to proposals advanced by Trade Fair officials to provincial organizations and "everything points to increased participation and greater visitor attendance from right across the country."

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INVESTMENTS THIS WEEK

Investment Expert Tells What He Sees For 1950

The Canadian bond market in 1950 will remain high and in a very narrow range. Stock prices will move moderately higher in the first quarter of 1950 and decline in the balance of the year; the over-all average a year from now will be little changed from present levels.

That was forecast at a Montreal meeting of a group experienced in and concerned with economic and financial questions. A member of this group was called on to predict what the coming year might have in store for bonds and stocks. (The forecast does not represent the unanimous opinion of the group).

The bond forecast for 1949 was:

(a) There is likely to be a Government of Canada loan in the first six months of 1950 which, the forecaster believes, would be a 2¾% bond of 15 or 17 years maturity. This issue will be the anchor around which other government securities will fluctuate and he predicted it would trade close to par for the balance of the year.

(b) As a consequence, first grade provincial 3% securities of a like term will be issued at or about par so that a differential between Dominions and Provincials of approximately ¼ of 1% in yield will exist for most of the year.

(c) The quantity of new offerings of municipal securities will increase over 1949 and the weight of this volume may force yields on municipal securities somewhat higher. Prices, however, will remain for the year at relatively high levels.

• • •

Stocks to Go Up, Then Down Is Stock Market Forecast

The stock forecast called for stock prices to move to higher ground in January and February as a result of good earning reports of 1949, generous disbursement of extra year-end dividends and the generally good year-end reports.

But after that, business conditions will be changing and uncertainties will develop as to the effectiveness of devaluation while the decline in exports may change the economic background, the forecaster felt.

"There will not be a general or extensive crash in the market but an orderly decline, and some industries will bear the shock well," he estimated.

Specifically the forecaster predicted:

(a) Papers and oils will lead the rise in the early months of 1950 and will hold well against the decline to follow. For the papers, a 25% increase in market price was expected, all or a good part of which will be maintained at the end of the year. Imperial Oil, he predicted, would sell at a price of $30 at some point during the year.

(b) Milling and textile stocks may not follow the rise in the early part of the year owing to devaluation.

(c) Base metals should remain on about an even keel through the year.

The forecaster refused to forecast for gold stocks, stating, "I am told they are currently selling at about ten times earnings if gold were $50 an ounce."

Over the longer run, the forecaster was very bullish on Canada and predicted that "anyone putting good stock in the box will reap a rich harvest in years to come."

• • •

Security Transactions Reported to S.E.C.

Among changes in security holdings of officers and directors of companies reported to the U. S. Securities & Exchange Commission for Oct. 1949 were:

Wenonah Develop Co. sold 100 shares of Dome Mines Ltd. reducing its holdings to 63,700 shares. F. Warren Pershing, New York City, a director of Dome, is an indirect owner through this company.

Arthur P. Reid, Toronto, a director, purchased 700 common shares of Household Finance Corp. bringing his holdings to 11,800 shares.

Theodore S. Watson, New York City, reports a company in which he is interested, Watite Corp., sold 400 shares of International Utilities Corp. common to reduce its holdings to 15,000 shares. Mr. Watson owns 5,000 shares and another company in which he is interested, Investors & Traders owns 11,500 shares.

• • •

Stress Basic Principles Of Investment Management

The existence of fundamental principles for the successful management of a conservative fund for income purposes was stressed in a recent analysis of the investment policies of the 300-year-old Harvard Endowment Fund under its new management, headed by Paul C. Cabot, president of the State Street Investment Corp. by the research department of the George Putnam Fund of Boston.

Mr. Cabot's election as treasurer of Harvard University in October 1948 is believed to mark the first instance in which the management of a large college endowment was placed in the hands of an investment trust official.

The analysis concluded that: "Perhaps more significant than the changes made in the past year is the over-all continuity of policies despite change in management. Successful investing requires constant readjustment to changing factors in the money market, industry prospects, and within individual companies. Such readjustments, rather than any fundamental differences in policy, appear to account for the shifts in holdings during the past year.

"Long Treasury bonds were shifted to short, high grade corporates; but the balance between good quality fixed income securities and common stocks remained virtually undisturbed. The sharp cut in bank stocks was balanced by increases in utilities and insurance. Industrials were increased moderately, but in the over-all increase, as well as the shifts within the industrial list, the emphasis continues on the more stable income producing industries.

"The lack of radical change in the Harvard portfolio establishes this fact—successful management of a conservative fund for income purposes rests on the following fundamental principles;

"1 Balance between high grade fixed income securities and common stock.

"2 Emphasis on stable income and growth type industries in common stock holdings.

"3 Constant reappraisal of money market, industry, and company prospects and prompt readjustment to changes as they appear."

• • •

See U.S. Firms' Earnings Improved in Third Quarter

Reports of earnings of U.S. industrial corporations for the third quarter of 1949 indicate some recovery over the second quarter in the majority of cases, reflecting both the vigorous pickup in business and the firming of commodity prices, but earnings continue below the year before, National City Bank of New York state in their November letter.

According to statements issued to date by 460 U.S. companies, mainly the large manufacturing organizations but including also numerous concerns in the mining, trade, and service industries, combined net income in the third quarter amounted to about $1,048 million,—10% above the second quarter and practically equal to the first quarter of 1949. It is however, 8% below the third quarter of 1948. Slightly over half of the companies reported an improvement over the second quarter of this year but as compared with the third quarter of 1948 about two out of three were lower.

Combined net income of the 460 firms for the first nine months totaled $3,054 million, a decrease of 6.7% from the corresponding period last year. About two out of every three companies reported decreases. The decline in net income contrasts with an increase of 6% in the over-all totals of sales for which figures were available for about half of the companies, the bank states.

Earnings were relatively well maintained in food products, chemicals, drugs, cement, glass, iron and steel, machinery, automobiles, auto parts, electrical equipment including radio and television, and office equipment. Changes among the individual companies within the groups were extremely uneven ranging from all-time highs to deficit.

There were substantial drops in the textile industries, pulp and paper, petroleum products, heating and plumbing fixtures and non-ferrous metals. In these lines declines and earnings were much sharper than declines in sales indicating the squeezing of profit margins between shrinking volumes and higher costs, the bank reports.

Lower net income is shown also by a majority of companies in the mining industries, including coal, iron, non-ferrous metals, oil and gas. Some were affected adversely by lower selling price and others by interruptions due to strikes.

ROBERT M. GREEN

vice-president, Prudential Insurance Co. of America, who will be in charge of the Canadian head office in Toronto.

New & Committee, To Meet in Jan. Re Nat. Sewer Pipe

Ryland H. New, president of National Sewer Pipe Co., has written J. L. Stewart of Fraser, Beatty, Tucker, MacIntosh & Stewart, counsel for the Class "A" Shareholders' Protective Committee, that he will make himself available at any convenient time during the first week in January to meet with members of the committee.

Purpose of the meeting would be to discuss a plan to eliminate Class "A" dividend arrears which would be mutually acceptable to the Class "A" shareholders and the common shareholders. Mr. New promised to advise the Committee of a date during the course of the recent annual meeting.

Pending the meeting, the Committee proposes to continue with its own plans, Donald M. Deacon, committee secretary stated.

Toronto, Can. Head Office For Prudential of America

Prudential Insurance Co. of America, with over $1 billion of life insurance in force in Canada as at Sept. 30, will establish a Canadian head office.

The new headquarters will occupy the eighth to 14th floors, and part of the ground floor of the new Bank of Nova Scotia building, under construction in Toronto. It is expected to start operations about Nov. 1, 1950, when the new building will be ready for occupancy.

The Prudential on Sept. 30 had Canadian investments exceeding $356 millions, of which $206 millions is in government, provincial, county and municipal bonds. It plans to increase its investments in Canada as well as its underwriting operations and to "grow with Canada."

Direct Investment in Real Estate

Among its present investments in Canada is real estate valued at $2.9 millions. The Prudential in the United States has been a leader in the new trend to direct investment by life insurance companies in mercantile and industrial real estate. Two examples of this in Canada are a furniture warehouse in Toronto leased to the Robert Simpson Co. and the Garden Court Apartments in Leaside (Toronto suburb).

The new Canadian head office will carry out all the company's insurance activities in Canada, supervising underwriting, servicing and investments, and will perform all administrative and clerical operations relative to its business throughout the country.

Annual Sales $107 Millions

During the past three years, sales of insurance in Canada by the Prudential, have averaged over $107.8 millions a year. Payments paid or credited to Canadian policyholders and beneficiaries, in 1948, totaled over $17.8 millions. Since it started operations in Canada in 1909, the Prudential's payments of this kind in Canada total over $300 millions. On the basis of the first nine months of 1949, payments for the year are running at about the 1948 rate, averaging $70,000 per business day.

Employ 400 to 500

A handful of men and women, largely to handle recruiting and training, will be brought to Toronto a few months before the new office starts operating. The staff generally, which initially will number 400 to 500 male and female employees, will be recruited locally.

Final touches in the company's arrangements regarding the Canadian head office were given by Carrol M. Shanks, president, Admiral G. A. Eubanks, his executive assistant, and Robert M. Green, vice-president, who will be in charge of the Canadian head office.

Mr. Green graduated from Princeton University 1913. Was an executive of Procter & Gamble, leaving to serve with the U. S. Artillery in World War 1. On discharge from the army, he joined his father in the pig iron, coal and coke brokerage business. In 1928 he became treasurer of the Union Central Life Insurance Co. From there, he went to the Prudential in 1932 as an assistant secretary. In 1937 he became a second vice-president, vice-president in 1938 and vice-president and treasurer in 1947. His work with the Prudential has included finance, personnel work and supervision of clerical operations. Mr. Green has been active in the American Red Cross.

Of Canadian Descent

Green's great-grandfather, a Baptist minister, came to Canada from England about 1840. He has spent all his vacations in Canada and 20 years ago, bought a summer home at Pointe Au Baril on Georgian Bay.

At the end of 1948, the Prudential's entire business in force was over $29 billions. It writes ordinary, industrial and group insurance, about 60% of the total business being ordinary. The company was founded at Newark, N.J., in 1875, established its first Canadian offices in 1909.

Great Lakes Power Control Changed, Expect Bond Issue

Control of Great Lakes Power Co., Sault Ste. Marie, Ont., has been acquired by a Canadian group, President John A. McPhail announced. It was formerly held by Middle West Corp., Chicago.

The Canadian group includes Mr. McPhail and some local associates in co-operation with financial houses which previously had handled the financing of Great Lakes Power. The syndicate which has been working with the local group comprises Wood, Gundy & Co., McLeod, Young, Weir & Co., and Cochran, Murray & Co.

It is understood that this transaction will involve public financing and that the new securities will be offered for sale in Sault Ste. Marie. The financing will also provide funds for refunding the outstanding funded debt.

It is understood that a new company, Great Lakes Power Corp. Ltd., will be set up to acquire all the plant and fixed assets and shares of the present company which will continue as the operating company. Financing, now under consideration, is believed likely to consist of $2 millions 3½% 1-10 year serial first mortgage bonds, $6 millions 3½% 20 year sinking fund first mortgage bonds and $4½ millions 4½% 20 year sinking fund general mortgage bonds. Public offering of these securities is expected in the near future.

Net income of Great Lakes Power Co., after providing for all charges and taxes, was $464,856 for the 10 months ending Oct. 31, 44.9% higher than the comparable figure of $320,794 for the previous year. This improvement was recorded notwithstanding increased taxes and higher provision for depreciation, and gives evidence of the broadening industrial activity in the Sault Ste. Marie area which is served by the company, it is stated.

Operating revenue for the 10 months recorded a definite increase of $1,577,600 as compared with $1,354,700 for the same 1948 period. After providing for operating expenses and depreciation of $233,542, there remained earnings of $959,211 compared with $754,968. Bond interest requirements amounted to $170,625.

Sault Ste. Marie directors are: John A. McPhail, president; F. E. Hollingsworth, vice - president; John L. Lang, K. G. Ross and Dr. A. Sinclair.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN CAR & FOUNDRY CO. net profit for year ended Sept. 30, 1949, was $1,395,663, off 46% from previous year's $2,580,445. The lower profit was attributed to the effect of an unbalanced operation between domestic and export business during the year since the car plants were devoted to production of rolling stock for export throughout the major portion of the year.

The Fort William plant was fully occupied with production of gasoline buses and trackless trolley coaches for the domestic market as well as servicing the fleet of tank cars of its partly owned subsidiary, Canadian General Transit Co., and tank cars of other operators in the western area, it is stated.

The Aircraft Division continues to receive government orders for modernization and modification of Harvard trainers for the RCAF and, under an exclusive license agreement with North American Aviation Inc. of Los Angeles, supplies spare parts for these trainers to many governments of the world. The company also continues to produce Norsemen, standard utility aircraft for bush flying.

Operations of Canadian General Transit Co., including leasing of tank cars for movement of oil, are reported to have had usual continuity and the projected installation of oil pipe lines is not expected to have any adverse effect, it is stated.

Expenditures on improvements and extensions to plants of the company amounted to approximately $1,600,000 during the year.

Present orders on the books of the company should keep the car plants occupied for about six months of the current fiscal year and substantial domestic orders are anticipated from the two principal railways of Canada when rate revenues have been satisfactorily adjusted, President V. M. Drury states.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1949	1948
Net oper. profit	$3,131,732	$4,570,464
Add: Other inc.	123,942	99,305
War cls. award	210,847	538,666
Sale cap. assets	*5,362	30,273
Less: Deprec.	1,169,076	1,077,376
Prov. for taxes	867,485	1,459,965
Invest. w/o	......	73,750
Int. pay.	28,935	47,172
Net profit	1,395,663	2,580,445
Less: Cl. A divd.	400,000	400,000
Com. divd.	365,800	292,640
Surplus for year	629,863	1,887,805

*Loss.

Earnings per Share and Dividend Record:		
Class A	$3.49	$6.45
Paid	1.00	1.00
Ordinary	2.72	5.96
Paid	0.80+0.20	0.80

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1949	1948
Cash & govt. bds.	$511,558	$785,544
Accts. rec.	5,666,403	6,034,811
Inventories	18,661,117	17,787,074
Total curr. assets	24,839,078	24,607,429
Prep. exp. etc.‡	267,436	296,986
Ref. EPT	163,501	163,501
Investments	882,122	498,497
Fixed assets*	17,755,360	17,268,707
Total assets	43,907,487	42,832,120
Bank loan	9,885,000	6,835,000
Accts. & tax. pay.	5,383,466	7,639,939
Due re pf. exch.	2,022	3,733
Total curr. liab.	15,270,388	14,478,672
Due War Assets Cp.	359,250	737,000
Reserves	342,215	308,083
Capital stock	17,145,000	17,145,000
Capital surplus	678,053	680,767
Surplus	10,112,461	9,482,598
*After deprec. of	13,276,400	12,170,823
‡Included in curr. assets in co's. report.		
Working capital	9,568,570	10,128,757

TOWN OF DORVAL, Que., has sold $44,000 3% bonds due Sept. 1, 1950-59 and $60,500 3½% due 1960-69 to Rene T. Leclerc Inc. for price of 98.42 and net cost of 3.564%. Proceeds are for waterworks, sewers and road works. Net consolidated debt of the town at June 30, 1949, was $771,098; population, 3,800.

Bay of Fundy
Nova Scotia
HALIFAX
Atlantic Ocean

Halifax—

Canada's Atlantic Gateway

The City of Halifax has one of the finest and largest harbours in the world. In addition to its importance as a shipping center, over one hundred and twenty-five diversified industries are located in the City.

The new issue of Halifax Debentures will provide funds for schools, sidewalks, a library and other civic works. We offer as principals—

City of Halifax
3¼% Debentures
Due January 2nd, 1965
Price: 100.50 and interest, to yield 3.21%
(Other maturities of this serial issue are available due 1958 to 1970)

Circular containing details of this issue and financial statistics of the City forwarded promptly upon request.

Wood, Gundy & Company
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Ottawa Hamilton London, Ont. Kitchener
Regina Edmonton New Westminster Victoria
New York Halifax London, Eng.

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OMEGA
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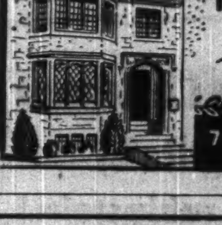

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AVAILABLE JANUARY, 1950

I am a Professional Engineer (electrical, graduated 1944), with experience covering development, manufacture, and layout of colour apparatus, plus electronic instrumentation knowledge and practical ability in machine shop and maintenance work. Recent aptitude tests show all round positive qualities and high I. Q. Replies to Box 364, The Financial Post, will bring details promptly.

As principals, we offer

PROVINCE OF BRITISH COLUMBIA
3% Sinking Fund Debentures
due December 15, 1969
Price: 99 and accrued interest
to yield 3.07%

Descriptive circular upon request

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276 St. James Street West
Montreal
Telephone: Harbour 4261
Offices at Toronto, Hamilton, London, Ottawa, Montreal and New York.
Correspondents in London, England.
Members of The Investment Dealers' Association of Canada.

Mr. W. C. McKinnon, Vice-president of National Pressure Cooker Company (Canada) Limited, has announced the appointment of Mr. Douglas W. McIntyre as Sales Promotion Manager for Canada. Following service as a major with the Essex Scottish Regiment in France and Germany during World War II, Mr. McIntyre joined the National Pressure Cooker Company in May of 1946 as Advertising Manager, a position which he will now combine with his new duties. *

NATURE UNSPOILED

YOURS TO ENJOY

The BROWN CREEPER is the personification of thoroughness. A small, brown, "mouse-like" bird, he circles the tree-trunks patiently and industriously, looking for injurious insects and their larvae. The Creeper is a most beneficial little bird. He should be encouraged and protected.

YOURS TO PROTECT

CARLING'S

THE CARLING BREWERIES LIMITED
WATERLOO, ONTARIO

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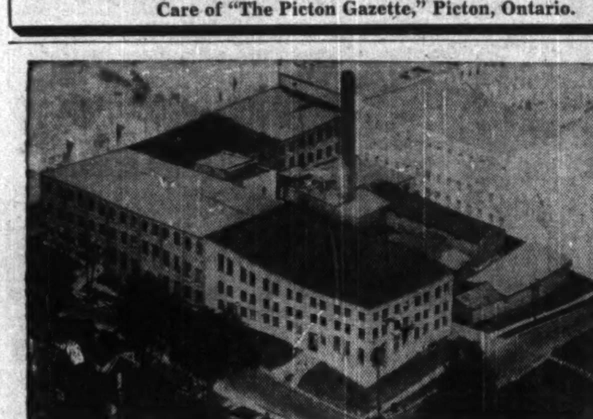
ADVERTISING SALES REPRESENTATIVES
WANTED

1. Applications are invited for a National Advertising Manager for Class "A" Weeklies of Canada, to head the Class "A" Central Sales office in Toronto. Class "A" Weeklies is an Association of 60 Canadian Weekly Newspapers which have conformed to certain high standards including membership in The Audit Bureau of Circulations. Applications for the position of National Advertising Manager are invited only from men of established background as related to advertising and sales research. Knowledge of the smaller Canadian centres and their merchandising problems will be a decided asset.

2. Applications also are invited for the position of Eastern Representative of Class "A" Weeklies to head the Class "A" regional Sales Office in Montreal. This office is specifically charged with the development and servicing of accounts originating in Quebec Province and the Maritimes, and with a close liaison with Class "A" members in Quebec and the Maritimes. Similar qualifications are required from the applicant to those which relate to the Central Sales office in Toronto.

3. Applications for the above positions, in writing, should outline experience and salary expected, first letter. Address applications, on or before December 24th, to:-

L. B. Calnan, Sec.-Treas., Class "A" Weeklies
Care of "The Picton Gazette," Picton, Ontario.



Stratford, Ont., Plant
FOR SALE BY TENDER

This property consists of four main, multi-storey manufacturing buildings with total floor areas of approximately 79,800 square feet and additional buildings totalling 11,550 square feet.

Three of the four main buildings were erected in 1906. The fourth was built in 1928. All roofs were replaced between 1938 and 1941 with new Barrett built-up roofs, and 1" Ten-Test insulation.

Municipal real estate taxes, including local improvements, for 1949 total approximately $2,150.

All purchase offers must be received by Jan. 16, 1950, and must be accompanied by certified cheque, payable to the undersigned, for 10% of the amount offered. Detailed description is available on request. The owners reserve the unqualified right to reject any or all offers received.

W. H. BOSLEY & CO.
28 Adelaide St. West WA. 1031 Toronto 1, Ontario

Lawsuit Entered on Sale Of Dominion Square Bldg.

MONTREAL (Staff) — With a $750,000 lawsuit against the company in the background, shareholders of Dominion Square Corp. this week voted approval of the sale of the Dominion Square office building to Collier, Norris & Quinlan Ltd. for $6.5 millions.

The action for three quarters of a million dollars was launched in Superior Court here on behalf of Marco Leon, Harry Low and Charles F. Burns, former holders of the original common stock, in connection with the purchase of the properties on which the Dominion Square Building stands.

President Andrew Fleming told the special general meeting that directors had only been served notice of the action Saturday noon, and that they hadn't had time to obtain a legal opinion on its merits. However, shareholders were told that their equity would be reduced to the extent that the action against the corporation was substantiated.

When the vote was taken on the resolution to sell the company, 40,592 shares were voted in favor, 51 against. Those in favor represented 86.12% of the 46,900 outstanding shares.

Objections to the sale and the method of presenting the offer to shareholders were raised at various intervals during the two-hour session by A. H. Tanner, who is acting for plaintiffs in the action against the company.

He questioned among other things the right of the company under Quebec law to sell its entire undertaking, a power which he held was not present in the company's corporate objects. He charged that the low price represented a loss of capital, and that acceptance of the offer was not in the best interests of the shareholders. Value of land and buildings as shown on the company's balance sheet as at April 30, 1949, was lower than city's evaluation for taxation purposes, he said ($4,275,000 vs $4,400,000). Earning power was the only real way of valuing an enterprise, he said.

In the statement made in Superior Court, in which Dominion Square Corp. is defendant, plaintiffs claim that the company was supposed to pay for the three blocks of land acquired from the Dominion Square Land Co., J. Eveleigh & Co. and Harmony Co. in 1928. The plaintiffs say that the corporation was then without funds, and that they advanced $429,815 as down payments on the options, later advanced further $1.5 millions. Total purchase price was $3,260,993, of which they say they provided $1,929,815.

Later on, they say, the defendant company issued to them $1,326,500 6% debentures which reduced its indebtedness to $603,315. They claim that this amount, plus $150,829, is now owing to them—a total of $754,144.

In the 1939 reorganization the previous first mortgage bondholders (nearly $5 millions were outstanding) took over complete ownership of the company without recourse to bankruptcy proceedings. They received $750 4% 20-year first mortgage bonds and 10 no par value common shares for each $1,000 6% first mortgage bond held. Holders of the previous $2,971,000 general mortgage bonds cancelled their claims in return for payment of $150,000 by the company, also made available all the old preferred and common. Building cost about $8.4 millions to erect.

DR. THOMAS H. HOGG

has been elected a director of Canadian Dredge & Dock Co., Toronto.

'Thrift Plan' Is New Lure For Moderate Investors

MONTREAL (Staff)—Reflecting the emphasis these days on attracting people of moderate means into the world of stocks and bonds, a new scheme has started designed to funnel a greater volume of money into the investment market.

Calvin Bullock Ltd., sponsor of the Canadian Investment Fund, an investment trust of the "open-end" type, this week inaugurated the thrift plan, somewhat similar to a $5-a-month plan started some months ago for CIF buyers by a Montreal investment house (The Financial Post, May 14). However, it will require investors with a slightly higher minimum earnings level, since minimum initial purchase is $250, with subsequent voluntary quarterly payments of $75 and up. In addition, the participant will be registered CIF shareholders, and the plan will be available through investment dealers across Canada who offer CIF shares.

Initial payment is made to the dealer who forwards it to Royal Trust Co., Montreal, to purchase CIF shares. All later installments are sent in to Royal Trust direct.

The trust company submits statements of the number of shares purchased, cash held awaiting investment, and dividend payments. Dividends may be plowed back into the account to buy more CIF shares.

Thrift plan sponsors regard it as a convenient way of investment estate-building—one which has the advantages of averaging out costs of shares over a period and at the same time getting compound interest. As in all mutual funds, the investor is able to get diversification and supervision of his investments despite the lack of a large capital sum.

Those who take part in the plan may drop out at any time. The trust company will forward the investor his CIF stock certificates and cash balance, and if he wishes to do so, he can hand in his shares for redemption at their liquidating value.

Reflecting the growth of mutual funds in both the United States and Canada, current assets of Canadian Investment Fund have risen to over $24 millions compared to $14½ millions at the beginning of this year.

Inter. Hydro To Retire Bonds, To Sell Some Gatineau Common

Another step in the liquidation of International Hydro-Electric System was approved by U. S. Securities & Exchange Commission last week when it approved part two of a plan of liquidation filed by B. A. Brickley, trustee of the system.

At the same time the S.E.C. denied an application filed by a Class "A" stockholder for the modification of one of its 1942 orders directing that International Hydro-Electric be liquidated and dissolved.

The interim step in the ultimate liquidation of the company, approved last week, provides that the principal amount of the past due debentures, which has been reduced to $15,940,800, be paid in full in cash out of funds to be obtained from a sale of approximately $5 millions of common stock of Gatineau Power Co., a Canadian subsidiary, and from a temporary bank loan of about $10 millions and available cash.

Approval of part two was subject to the condition that the trustee sell at least $5 millions of Gatineau Power common and that more than this amount be sold if it can be done "advantageously," S.E.C. stipulated.

The trustee's liquidation and dissolution plan was submitted to the S.E.C. in four parts. Part one was consummated on July 1, 1949 with the payment of $100 in cash on the principal amount of each debenture, reducing the total outstanding to $15,940,800 or $600 per debenture.

Proceedings are still pending before the S.E.C. on parts three and four of the trustee's plan.

They provide for the allocation of the remaining assets of International Hydro-Electric between preferred and Class "A" shareholders.

The Commission found that the orderly, prompt and economic disposition of the matters involved required that the issues in connection with part two of the plan be separately disposed of at this time rather than to delay action until completion of hearings on the remaining parts.

Before the S.E.C. decision can become effective it must be submitted to the United States District Court for Massachusetts, S.E.C. said.

Cdn. Wirebound Earnings Hold

Sales and earnings of Canadian Wirebound Boxes, Ltd. for the first six months of the current fiscal year starting May 1, are about on a par with the same period of last year, The Financial Post is informed. Business is continuing brisk with a satisfactory backlog of orders on hand. Any sharp curtailment in British purchases in this country, however, could hit the box business.

The new modern power plant went into operation last week and will provide more efficient service. It is equipped with two boilers of 250 hp each with maximum steam pressure of 240 lb. each. It will also include a 60-cycle engine and generator which will produce a large percentage of the company's power requirements. Fuel for the boilers will include shavings and sawdust from the plant.

Net profit for the year ended April 30, 1949, was up 19% at $449,365, equal to $7.94 on the class A stock before, and $4.67 a share, after the participation feature, compared with $6.68 and $3.96 respectively in the previous year. Earnings on the class B shares were $4.17 as against $3.46.

Montreal Group
To Control 7-Up In Que. Province

MONTREAL (Staff) — Seven Up of Montreal Ltd. and Seven Up of Quebec Ltd. have been acquired by a Montreal group from U. S. owners, it is announced. A new company, Seven Up Montreal Ltd., has been formed to take over the operations of both companies.

Associated in the purchase are William H. Wallace, who becomes president of the new company; Hugh Mackay, Hon. George B. Foster and Dr. William Keith Burwell. Chief shareholder before was Scott Boyd, Santa Barbara, Calif.

Under license from Dominion Seven Up Ltd., Leaside, Ont., company carries on a bottling operation in Montreal and directs operations of 24 sub-bottlers in other centres of Quebec. Office and bottling plant is at town of Mount Royal. Paul B. Sandlien is vice-president in charge of sales for the new company and Harry P. Demers is secretary-treasurer.

BELL TELEPHONE CO. OF CANADA. An additional 30,199 common shares have been admitted to trading on the Montreal Stock Exchange.

CITY OF JOLIETTE, Que., has sold $54,000 2¾% bonds due Nov. 1, 1950-59 and $71,000 3% due 1960-69 to Dudley Dawson Ltd. and J. T. Gendron Inc. at price of 97.72 and net cost of 3.191%. Proceeds are for waterworks and sewers. Net consolidated debt at Dec. 31, 1948 was $1,464,387 ($478,268 for waterworks and sewers); population, 16,655.

See Facilities At Good Level For Ont. Steel

Ontario Steel Products Co. passed through its busiest period of all time during the 15 months ending Sept. 30, President H. M. Jaquays told shareholders at the annual meeting last week.

Sales for the 15 months were more than seven times as great as in 1939 or, during the 12 months from June 30, 1948 to June 30, 1949 as compared with the corresponding period in 1938 to 1939, sales increased nearly six times in value, Mr. Jaquays added. The increase in volume would be less but is "astonishing," he added.

Earnings are a result of the continued prosperity which this country has enjoyed in the post-war years, particularly in view of Canada's dependence upon world trade, and it would be imprudent to take for granted a continuation of the recent high rates of operation, Mr. Jaquays warned shareholders.

Referring to the production of automobiles in Canada in the last couple of years, General Manager E. S. Byers told shareholders, "While it is most unlikely that this great demand will continue without interruption, we are encouraged by the realization that the population of Canada during the past 10 years has increased at the rate of approximately 173,000 per year, and if the registrations are maintained on the present basis an annual increase of at least 23,000 units over and above the normal requirements caused by deterioration and destruction through use will be required to supply the additional population."

The company was not embarrassed by the steel and coal strikes in the United States and although the automobile assembling plants in Canada have been affected to a certain extent and one of the larger companies has had labor troubles, Ontario Steel Products have been able to operate at a good rate during October and November, Mr. Byers stated

Pointing out that depreciation calculated on the original price of equipment is not sufficient to cover the present cost of replacements, Mr. Jaquays noted that $200,000 had been allocated to a reserve fund in the past year.

Net cost of all capital expenditures was $340,126 in the past 15 months.

A new building has been built at Chatham for manufacturing bumpers, which will leave much needed space for other departments. Electrical equipment for this building will not be delivered until early in 1950. A new boiler house was built and a boiler purchased and this equipment will shortly be in operation. Work is in progress on extensive alterations and additions to power distribution centre. Among other additions, a distillation process for the production of metalized plastics, for which rights were obtained in 1948, added a widely used product in the plastics department.

British Oxygen of Canada Builds Despite Devaluation

Ontario's and Toronto area's latest branch plant introduces a new phase in the world decentralization drive by British industry.

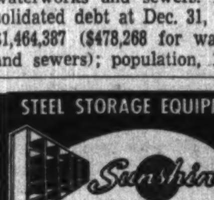
British Oxygen, of London, Eng., pushed its plan for a Canadian branch plant despite the overnight deterrent of sterling devaluation. Its application to the Bank of England for approval of capital transfer was submitted before devaluation. British Oxygen suddenly had to commit itself to a capital outlay of nearly one-third more pounds sterling for dollar transfer than it had planned.

BO's newest subsidiary, British Oxygen of Canada, has bought 48 acres in Etobicoke township, near Toronto, will build a 35,000 sq. ft. plant on that site and employ more than 100 making oxygen, dissolved acetylene and nitrous oxide. These products are used chiefly in metal welding, cutting and cleaning, in medicine and surgery, in steel production and—oxygen with kerosene—as jet engine fuel.

British Oxygen, established 63 years ago, chalked up major expansion in its home country and many others during the last war. BO now operates 28 oxygen and 18 acetylene plants in Britain, plus 46 distributed among South Africa, Rhodesia, East Africa, Egypt, Australia, New Zealand, India, Pakistan, Ceylon, Burma, Malaya and Hong Kong.

The Canadian development is announced jointly by Ontario House, London, Ontario Trade & Industry branch in Toronto, Toronto Industrial Commission, and Trade & Commerce Dept's industrial development division at Ottawa, all of which assisted in arrangements for the project.

STEEL STORAGE EQUIPMENT



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TO MATURE DECEMBER 15, 1969

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TO YIELD ABOUT 3.07%

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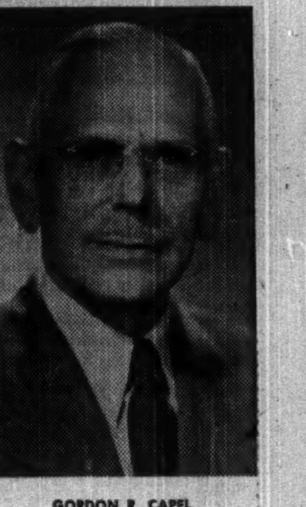
NORMAN H. BELL



GORDON R. CAPEL

Mr. W. Ashton Cockshutt, General Manager of Brantford Coach and Body Limited, announces the appointment of Mr. Norman H. Bell as Sales Manager in charge of all sales for the Company in Canada. Mr. Bell was formerly Western Sales Manager, making his headquarters at Calgary. Mr. Gordon R. Capel assumes the post of Secretary Treasurer, replacing Mr. John B. McTaggart who is retiring after a long career in the service of the Company. *

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In charge of Institutional and American trading

Lloyd G. Millson
Resident Representative Western Ontario District
Kitchener

James G. Haxton
Resident Representative Eastern Ontario District
Kingston

Douglas T. Deans
Resident Representative Central Ontario District
Orillia

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Member of The Investment Dealers' Association of Canada

"You Can Fool Some of the People"

The Socialist defeat in New Zealand and in Australia is bringing loud trumpetings of hallelujah.

That people soon get disillusioned about the utopias the Socialists promise is not surprising. Even our own Saskatchewan Socialists have lost their virility and most if not all of their socializing zeal.

This soft porridge of a political creed as expounded in Commonwealth countries has many things wrong with it. Not least is the fact that the Socialists give no evidence of having done any thinking in the past 50 years. Their gospel was evolved in the late years of the past century. Everyone freely admits that at that time industrialization and the workings of the economic system produced some frightful evils.

But in the past half century, changes of a profound and revolutionary character have taken place in the democratic system. Socialism has not changed. It's still prescribing the same medicine—nationalization—as it did 50 years ago.

Meanwhile, democratic people have learned that nationalization is the clumsiest and least effective of all ways of regulating an industry and of controlling its operations in the general interest. Through taxation and regulation, governments find they have all the power over an industry they require, and they assume none of the problems of actually running the business.

As one Socialist once told this writer: "Our trouble is that we're still fighting battles of the 19th century. We haven't changed. Meanwhile, you capitalists have done a great deal of changing. We're just left behind."

What do the New Zealand and Australian result foretell for the British Socialists in the spring election?

At the vote July, 1945, the British Socialists got 11,960,000 votes. All other parties got 12,960,000 of which 9,087,000 went to the Conservatives and almost 3,000,000 to the Liberal groups.

Against the happy prophecies of the opposition parties that the middle class is completely fed up with Socialist regimentations, must be cited the fact that the Attlee forces have had an unbroken string of by-election victories.

But against the fatalistic quip that "nobody will shoot Santa Claus" must also be put the fact that given time, voters in the mass exhibit a very fundamental wisdom. You can fool some of the people all of the time, and all of the people some of the time, but you can't fool all of the people all of the time.

How About Some Applause?

Canadians are now electing their new municipal governments, and this is a good time to render honor and thanks to the people mainly responsible for the generally high level of integrity and efficiency in municipal affairs.

We salute the permanent municipal officials —the professional hired hands of municipal government.

It is these people we have chiefly to thank for the smooth operation of civic services.

They are our effective protection against the misguided and uninformed schemes sometimes dreamed up by elected representatives.

They are the people who get the blame when things go wrong, and who seldom get the credit when things go right.

For them we propose a lusty round of applause.

Wanted—More Buyers of Industry

To Florida the other day went almost a thousand men, most of them worried about one thing: How to make a much larger segment of the population owners of stocks in industry.

This was a special preliminary to the annual convention of the (U.S.) Investment Bankers Association. The study undertaken there must not be brushed aside with any cynical crack about bond and stock salesmen always being concerned about selling more stocks and bonds.

Good corporate securities come in small enough bundles to suit the needs of the small saver. They are relatively stable in price. They can be instantaneously bought and sold. Nevertheless, according to a recent U. S. survey, only about one family in ten owns any common stock. (No figures for Canada).

Here is a matter of importance to everybody in the community and above all to its responsible elements who believe in the preservation of the individual freedom and opportunity system.

The widespread prevailing ignorance of how our business system operates is its biggest peril. We doubt if many owners of life insurance are even dimly aware that they are investors in the securities of scores of business corporations, hence have a direct, personal concern in the welfare and development of those enterprises.

Getting more—many more—savers to take shares directly in business will be to their own and the nation's advantage.

This, of course, is not to suggest that people of modest and small savings should buy any or all securities. They can take little or no risk, hence their purchases must be selected from the list of little or no risk securities.

The mutual fund, or investment trust which gives the saver a participation in a wide selection of securities may often provide the answer to the smaller investor's problem of protecting his savings and having them earn money for him.

But essential to any program for getting widespread public ownership of corporate securities will be good security fraud administration protecting the masses against abuse, and a very high ethical standard on the part of security houses.

The abuses and excesses of 1929 have been almost entirely eliminated in the financial community—but not in the public mind.

Profits Need No Apology

Business is often assailed by its enemies for making profits. Not often enough do businessmen reply.

A striking statement on this matter was made by H. M. Jaquays, president of Ontario Steel Products Co., in his address to shareholders at the annual meeting last week. After pointing out that the company's profit was "of record propotions" but that "profit per cent of dollar sales was not excessive," he states:

"Lest some of our critics might accuse us of making too large a margin it must be emphasized that the total profit is the result of the unusual volume of business. It has become quite common for industrialists almost to apologize for making a fair profit on investments. This is wrong. A business to be a strength to the country at large, alike to consumers, to employees and to shareholders must make a fair profit, otherwise it becomes a liability. . . . Without profits business would quickly stagnate, the standard of living would be lowered and conditions such as exist in some European countries would ensue.

"Between 1939 and 1948 unit labor costs for the country increased some 61% while during the same period the DBS shows an increase in wages of nearly 100%. The difference between the two is due to better management, better plant layout, better supervision and the development of better machinery.

"This improvement has been possible through profits. As time has passed more profits have been plowed back into business and a smaller percentage paid to the owners in dividends. They ultimately furnish the purchasing power for improvements, produce stability for wages and dividends and if with proper management they are expended with great care they reduce costs and, as a consequence, prices."

Labor unions should always remember that where there is no profit there can be no jobs. And management should not be apologetic in defending its right to earn a profit.

"Soak The Motorist"

Revived again is the old suggestion that motorists and truckers within the greater Toronto area be assessed a special annual tax to build connecting highways. Already among the heaviest taxed of all citizens, car and truck owners must wonder what is done with the money they now pay in large chunks to the provincial authorities.

Why there should be another addition to the already heavy load, certainly has not been explained by these advocates of the new local tax.

Every time the motorist drives up to a gas pump he is asked for a substantial highway contribution. More than a quarter of money he pays out for his fuel goes directly to the provincial government. If he drives 10,000 miles a year his gas tax bill alone amounts to $50. With that sort of revenue he believes that his government should be able to provide him with all the highways necessary and city connecting links as well.

But even suppose he was willing to pay another local tax for these connecting highways what assurance is there that he will get real value? Very little, if past experience is a clue.

From the time the first highways were opened the big cities like Toronto have been building connecting links. But without exception these have been allowed to be built up like any other business street. Instead of keeping them clear so that the motorists wanting to get out of town could do so easily and quickly, these so-called connecting or arterial highways have been cluttered up with traffic-lights, super markets, theatres, schools and stores. Local and through traffic have become hopelessly intermingled with both as well as the pedestrian suffering.

To ask motorist and trucker to chip in another special tax to build more of such links is simply preposterous.

"There Ought to Be a Law"

At Derby and at Norwich, children who want to perform the traditional English rite of singing Christmas carols in the street must obtain official permission.

The harried British are going to have peanuts this Christmas, thanks to the mistake made by an official.

So it goes when government's master planners get to work.

But ridiculous as these two examples may appear, the alarming thing is the increasing trend on the part of a lot of people of all political faiths to call upon the state to "pass a law" about anything and everything.

Last week we had our own Parliament applying itself to the business of passing a law about "crime comics" and "obscene" literature. Nobody would recommend crime comics as a mental diet for children. But in all this controversy we don't hear anything to the effect that this is a proper responsibility of parents.

Revelations about Canada's book censorship in Maclean's Magazine are shocking. Here in a supposedly civilized country boasting of its devotion to freedom, we have a situation where the whim of minor officials or a cabinet minister determines what Canadians may and may not legally read.

Toronto the Good is currently vastly excited over a referendum asking voters to say whether they are "in favor of the City of Toronto seeking legislation to make amateur, professional and other forms of commercial sport legal on Sunday."

Personally, we have no desire to use Sundays for going to movies, hockey games or cocktail bars. But there are some people who do. Law doesn't make people good or wise. Toronto's closed Sunday law doesn't succeed in making people spend their time in good thoughts or good works. For tens of thousands week-end boredom and inactivity do result in drunkenness and at this Toronto has at least a certain reputation, whether justified or not.

To say that Toronto people are wiser and more virtuous than those of any other big city in the world (and everywhere else "open" Sundays prevail) would be tampering with the truth.

For a long, long time people have been trying to make other people virtuous by legislation. The lack of success has been notable.

What is pestilential is the readiness, even eagerness, with which some people ask for a law to regulate other people's private lives.

Personal liberty is precious. It is a very tender plant. Under present-day welfare state government, personal liberty is everywhere being curtailed. But every curtailment and scheme for curtailment should be examined with deepest suspicion.

Napier Moore's Scratch Pad

FINANCE MINISTER ABBOTT frankly confessed to the Commons that he couldn't explain the complex implications of the new depreciation allowance section of the Income Tax Act. The wording baffled him.

Donald Fleming complained bitterly about incorrect English in official bills. The Minister promised to speak to the Justice Department about it.

Maybe we're getting somewhere.

For a long time we conducted what was practically a one-man campaign against the abuse of words. In print and in speeches we pleaded for simple, understandable English; threw spitballs at the writers of flamboyant advertising and at so-called experts (particularly those in government departments) who spawned weird jargons. Hundreds of people, including newspaper editors, said, "This man is right. Something must be done." And they backed us up with dollar-and-a-quarter words. But nothing was done. Undaunted, we carried on!

In recent years help has been coming. There was Rudolph Flesch's book "The Art of Plain Talk." Then the U. K. Government got Sir Ernest Gowers to write a book showing public officials how to write English ordinary people could understand. Experts have arisen to tell pharmaceutical houses that instead of "Proper procedure for administration of your nasal medication" it's easier to say "How to use your nose drops." And now there are stirrings in our own parliament. We feel more hopeful.

• • •

INCIDENTALLY, IVOR BROWN, associate editor of the London Observer, talked the other day on the misuse of English. He thought he knew the reason why some people won't call the best the best but must say "optimum." Their way of describing how to give bad boys a good chance is "The optimum conditions for the social and psychological reintegration of recidivist juvenile delinquents."

Said Mr. Brown, "The reason for pompous writing, as a rule, is the reassurance which it may bring to a person conscious of his own defects and apprehensive about the security of his job. A fellow who can hold forth in this oratund and apparently learned way must indeed be somebody; such language has the smack of authority and proclaims its user to be an expert and a specialist."

Psst, Mr. Brown, how did "oratund" sneak in?

• • •

DARKEST AFRICA throws its shadows over the ages.

In Montreal the other day a friend of ours was stopped on the street by a stranger who asked him where Livingstone Street was. Our man said he didn't know of any Livingstone Street, enquired if there was any particular place he was seeking. The stranger said he wanted to go to the United States Consulate. "Ah," said the native. "But that's on Stanley Street."

• • •

AS 1949 DRAWS TO A CLOSE many publications, according to custom, will review the year's outstanding achievements in business, industry, public service, arts and sciences. Time will choose The Man of the Year.

If we manage to get around to it, Scratch Pad will nominate for the Hall of Fame—The Man Who Had the Least Monotonous Week. To date the strongest contender for that honor is Ernie Hall, a druggist in Kirkland Lake, Ont.

This is the record as presented in Drug Merchandising:

July 27—Customer asked him to come to his house and shoot a bear which had outgrown the "cute pet" stage and was getting dangerous. Case referred to local police.

July 28—Customer asked him to repair an injured chipmunk. Installed chipmunk hospital in home to delight of two children.

July 29—Intoxicated lady asked cosmetician for half a pound of hamburg steak.

July 30—Lady asked if prescription which she brought in "just before Easter" was ready yet. Search disclosed script written Dec. 22, 1948, brought in Feb. 2.

• • •

TRAVEL NOTE: The Financial Post Corporation Service has received a letter written on stationery of the Nova Scotian Hotel, Halifax, enclosed in an envelope of the Prince Arthur Hotel, Port Arthur, and postmarked Montreal. Writer's address—Toronto.

• • •

DURING THE WAR, when German bombs battered the town of Eastbourne, on the Sussex coast, a mobile canteen would amble into the thick of things. It did a lot to boost morale, not only because it dispensed cheery cups of tea and food, but because it was a reminder that the people of Guelph and Wellington county, Canada, were thinking of English folk. The canteen was their gift.

That tea chariot is still on active service. Manned by Women's Voluntary Service workers, we are told by Overseas and Trans-Atlantic Mail, it is providing refreshment to outpatients who have long waits at the local Princess Alice Hospital.

Stop Me If—

"Doctor," said the patient, "I'm afraid my wife is going crazy."

"What seems wrong?" asked the doctor.

"She wants to buy a goat."

"Let her buy a goat."

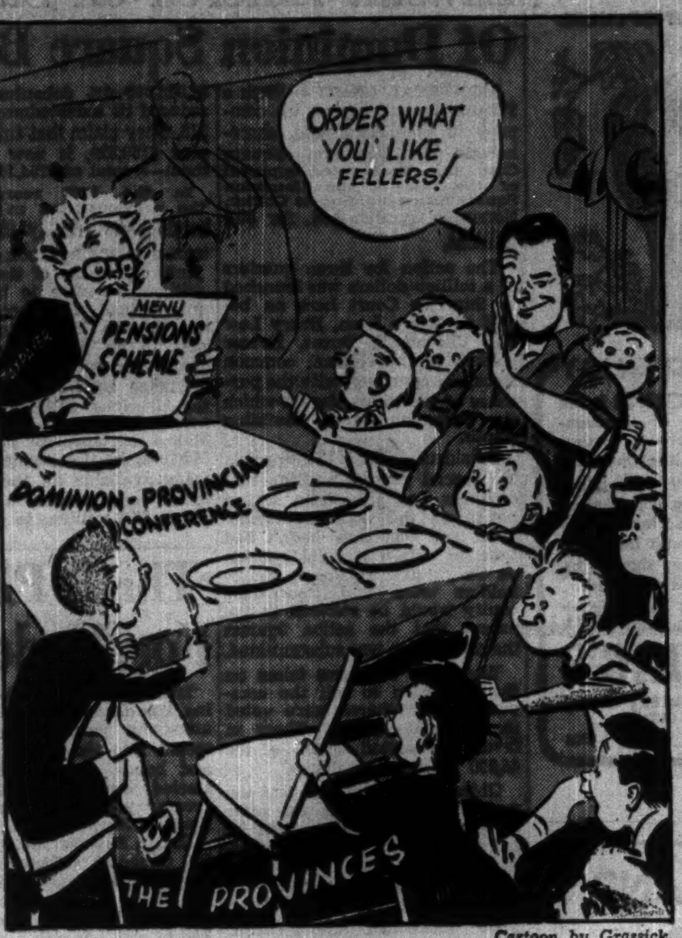
"But she wants to keep it in the house."

"Well, let her keep it in the house."

"But a goat smells."

"Open the windows!"

"What! And let all my pigeons out!"


ORDER WHAT YOU LIKE FELLERS!
MENU
PENSIONS SCHEME
DOMINION - PROVINCIAL CONFERENCE
THE PROVINCES

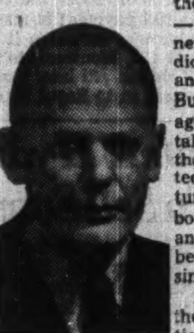
Cartoon by Grassick.

And one man always pays!

Post Scripts

Meet Mr. Red Feather

If there are any people in Canada who were not aware of the Community Chest drive a few weeks ago, they must have been living far off the beaten path — away from newspapers, radio, billboards and door bells. But ask the average man who takes over when the last volunteer collector turns in his books and money and there might be an embarrassing silence.



MR. DAVIS

A key man in the administration of the Red Feather collections is Richard Gilmour Davis. Dick Davis is Executive Director of the Canadian Welfare Council, which he describes as an organization designed "to help Canadians get the best value for their welfare dollar." An entire division of the Council, headed by Davis is devoted to "servicing" on a year-round basis, the 48 Community Chest organizations in cities and towns throughout Canada.

First business after the annual funds drive is the allocation of the monthly payments to the dozen member agencies in each community which administer funds for 700 Chest-financed organization in the country.

By thus allocating the sums in monthly payments instead of an annual lump, the Chest personnel in each community, are able to keep in closer touch with the work and the needs of the individual member agencies, to survey their methods and to make suggestions, if necessary, for the improvement of services.

Davis was born in Toronto 55 years ago, and from the time he completed his formal education has been more or less tied up with professional welfare work ever since. After graduating from the University of Toronto, he took his M.A. from McGill, then followed with postgraduate work at Columbia University and the London School of Economics.

His first position was with the Y.M.C.A. as secretary in London, Ont. In 20 years of "Y" work he rose to the post of personnel secretary in the National Office under Dr. Sidney Smith, now head of the University of Toronto. Davis was responsible for the "professionalization" of the Y.M.C.A. personnel. As part of his program for improving "Y" workers, Davis organized an annual conference on world affairs at Couchiching Park, which later became the Canadian Institute of Public Affairs.

The next major Davis undertaking was the organization of the Canadian Youth Commission, with the objective of preventing young veterans of World War II from becoming "forgotten men." The commission worked for three years on a survey of jobs, citizenship, education, religion, family life and health. The report of the survey has become the standard blueprint for all matters concerning youth welfare. When the directorship of the Canadian Welfare Council fell vacant in 1946, Davis became "Canada's top social worker" almost as a matter of course.

A quiet, good-humored man with a big capacity for work, Davis is, primarily, a sort of liaison man between the "haves" and the "have nots" of Canada, a capable executive who happens to be more interested in social service than in any other career. This side of the Davis personality was stressed by William Anderson, general manager of the North American Life, and a governor of the Canadian Welfare Council when he said recently that "when Dick Davis decided on a social service career, the business world lost a top executive." Since Davis took over the council's "volume of business" has more than doubled, and the number of its undertakings has increased tenfold.

Truckers' President

At 37, George MacDonald Parke of Toronto is the youngest president the Automotive Transport Association of Ontario has had in the 24 years of its existence. The association is one of the country's leading trade bodies, with some 1,250 members who operate 18,000 trucks and trailers, employ 15,000 and which claims a total investment of around $35 millions in the business.

MR. PARKE

In attaining the presidency young Parke is following in his father's and grandfather's footsteps in more ways than one. They were pioneer truckers in Canada. Today Parke is general manager of Consolidated Truck Line Ltd. and vice-president of Consolidated American Truck Lines Inc. They operate 270 trucks and trailers and employ about 300.

But in addition, the association presidency Parke now holds was held by his father 1934-37. Strangely, his father held the post at the time of the Chevrier Royal Commission on Highway Transportation. One of the son's major jobs during his tenure will be presenting the truckers' case before the Turgeon Commission on Transportation.

Parke's father, the late George E. Parke, had a big part with the role played by mechanical transport with the Canadian Army in the first war. Realizing the possibilities of trucking, when he returned he started the Toronto Storage and Transport Co. It was natural that his son, called "Don" to avoid the "Junior" tag, should have the transport business in his blood.

He was born in St. Catharines, moved to Toronto when he was six, went to school until he was 16 when he took a summer job and couldn't see the point of going back to the classroom. The job only lasted a few months. It was during the depths of the depression. He went to his father for work and admits he was surprised when his father said no.

However, he was given odd jobs and gradually he worked his way in —the hard way. He loaded and unloaded merchandise. He worked as a grease monkey, a biller and finally became a driver. When his father retired in 1942, George Parke stayed on as general manager. Later he resigned to join his father in the hotel business in Harriston, 45 miles north of Guelph. But his heart was not in it. He stuck it for a year and a half, then jumped at the chance to become general manager of the Toronto-St. Catharines Transport Ltd., when it was acquired by Joseph Tomlinson.

Early in 1947, Tomlinson bought Central Ontario Transport and merged the two into Consolidated Truck Lines. It has offices in 12 Ontario cities; the U.S. affiliate in five New York centres. To do his job the way he thinks it should be done, Parke makes a monthly tour of the whole circuit, a bi-weekly visit to part. He does it in a big black Buick, driving 35,000 miles a year.

A noted oarsman with the famed Toronto Argonaut club in his younger days, Parke's athletic activities today are confined to golf, fishing and the race track, when he can get around to it. He has two children and a wife he wishes he could be with more often. But his business keeps him on the move. Not that he's complaining.

"It's a business that never fails to stir me; it gets in your blood," he explains with an enthusiasm which leaves no doubt that he means it.

What Others Are Saying

Editorial of the Week

Better Late Than Never

Regina Leader-Post

Canada herself is partly to blame for the lack of understanding in Britain of the friendly role this country has played. At least one other Commonwealth country was not backward in coming forward to tell of its achievements. Two years ago New Zealand published advertisements in the British press to the effect that "today, no less than during the war, New Zealand is supplying Britain with foodstuffs of the highest quality." They were keynoted with the slogan "Your ration today, your choice tomorrow."

Had Canada's public relations been similarly handled, irresponsible left-wing Laborites in Britain might not have had the same scope for attempting to make Canada the scapegoat for socialism's futile fumblings.

If anyone has had grounds for complaint, it is Canada and not Britain. Canadian generosity apparently has not had the hoped for result of safeguarding our British markets for the future.

Throughout the foolish ravings of the left-wing fanatics, Canadians have shown admirable restraint. It has been realized that no useful purpose would be served if the British and Canadian people started throwing brickbats at each other across the Atlantic.

After all, it was up to the British Government to take up the cudgels on our behalf. They knew the story, as none others knew it, of the real help Canada had been to Britain. This could have been done sooner. But better late than never.

Other People's Views

TOO MUCH CONCENTRATION in our export trade thinks the **Ottawa Le Droit.** "Let us learn the lessons which have been taught us by events. One of these lessons is to stop our sentimentality in business. The other, which derives from the first, is to seek new markets for the surplus of our products so that we may cease to depend, above all in this regard, upon two countries only."

ITS NOT OUR BUSINESS to advise Toronto and its suburbs what to do about amalgamation, says the **Windsor Star**, but "We can only say amalgamation worked out well in Windsor, so well that none would ever think seriously of going back to the old system of four municipalities side by side. And the time will come when other areas, for their own advantage and that of Windsor, will be added to Windsor."

WE ARE IRRITATED when we find Americans know so little about Canada, but, points out the **Winnipeg Tribune** some of the trouble traces to our own neglect. "Heretofore we have been foolishly silent about our growing population and rapidly expanding industries; about our treasure house of natural resources, our prairie wheatlands, great and varied mineral deposits, our forests and oil fields and hydro power."

WE ARE A COUNTRY of many races, points out the **Montreal Star** apropos of the Supreme Court decision in the Jehovah Witness case. "In the present case it has been a question of activities of the minority Witnesses of Jehovah in the midst of a solid and deeply religious Catholic community. But tomorrow or next day, a case may involve the rights of some Catholic minority in a community composed almost wholly of some other religious group. In all these circumstances charges of seditious libel may not be the best to bring in the interests of peace and order."

COSTS HAD CAUGHT UP with promises in New Zealand, is the explanation of the **Montreal Gazette** for the socialist defeat. "It should be noted that the gain in the opposition to socialism in New Zealand has been growing and gathering. In each election the margin of the Government's own security has been narrowed. The rise of dissatisfaction parallels the accumulation of unsatisfactory results from the social experiment itself. The main cause for opposition would seem to lie in the creeping paralysis of taxation. The later cost had overtaken the earlier promises.

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Dec. 17, 1949

LABOR ROUNDUP

1949 Strike Cost 25% Above 1948; Unions Want Pensions Means Test Lifted

By RONALD WILLIAMS

Canada's 1949 strike cost will likely run 25% above last year.

Department of Labor reports for the first 10 months show time lost already exceeds the full 12-month 1948 loss, also the number of persons involved.

The only decrease is in the number of strikes, meaning 1949 had more bigger walkouts. However, against 1947 and the post-war peak of 1946, the 1949 cost will be about five times less.

Latest summary for first 10 months 1949 against all 1948 and 1946:

	1949 (10 months)	1948	1946
Strikes	111	154	228
Workers involved	45,981	42,820	139,474
Days lost	901,145	[illegible]	4,500,000

Based on the nonagricultural wage and salary workers in Canada, the lost time so far amounts to .11%. This is the same as last year because while strikes increased in 1949, so did the working force. In 1947, the loss worked out to .25%; in 1946, .5%.

As the end of 1949 drew near Canada was virtually strike free. Two of the biggest walkouts—Oshawa auto workers and Ontario-Quebec Lithographers—had been settled, leaving only seven stoppages in effect at the beginning of December. The biggest of these—900 rubber workers at Dunlop Tire and Rubber Co., Toronto—was on the verge of settlement.

• • •

Plan Drive For Pensions

Two of Canada's biggest industrial unions—the CIO Steelworkers and Autoworkers—held important conferences in Toronto last week end on pensions, wages, unemployment and the 40-hour week. The Auto Union went a step farther and took a swing at The Financial Post for its report on the Oshawa General Motors strike (Nov. 26 issue), branding it "scurrilous" and charging The Post with "habitual interference in trade union affairs."

Following is the full text of the resolution passed 55-7 by District Council 26:

"Whereas The Financial Post, the weekly propaganda organ of Canadian business, always indulges in wilful, malicious and deliberate distortion and lies in treating news in the labor movement for the purpose of destroying the confidence of the public in the true objectives of the trade union movement, as well as undermining the faith of the workers in their trade unions as democratic instruments;

"And whereas the most recent example of this was the scurrilous, false and deliberate malicious report in The Financial Post by Ronald Williams on the events and circumstances pertaining to the GM strike in Oshawa;

"And whereas Joe Salsberg, official spokesman for the Communist party in Ontario and The Canadian Tribune, propaganda publication of the Communist party in Canada parroted the line and lies of Williams and The Financial Post for the obvious purpose of destroying the confidence of the workers in their democratically elected leadership both on the local union and on the international union level;

"And whereas this typical lining up of Salsberg and the Communist party with the bosses of Canadian industry underscores the plain fact that big business and the Communist party have a common interest in the destruction and subversion of truly democratic instruments and procedures of working people;

"Therefore be it resolved that this district council No. 26 UAW-CIO go on record as condemning both the servants of big business and the colonial agents of Soviet Russia for their continued and habitual interference in trade union affairs, the distortion of trade union facts and their character assassination of union leaders who will not betray the trust of the workers for the selfish and special interests of the exploiters, be they captains of industry or fifth column agents of the totalitarian way of life.

"And be it finally resolved that in complying with the request of the regional director for direction in this matter, this council recommends that a copy of this resolution and a covering letter be mailed to the regional office of all local unions, that this resolution and explanatory letter be printed in the next issue of the Canadian Auto Worker, copies to the press, the national office and provincial office of the Labor-Progressive party and the editor of Financial Post."

At the same time the Steelworkers' national policy committee was busy priming its guns for 1950. The union will seek:

An integrated government and industry pension giving $100 a month pensions. As the first step, employers will be asked to join with unions in seeking elimination of the means test in government old-age pensions. (Last week, Health Minister Martin said this was out of the question as long as pensions remain non-contributory.)

Higher wages to balance cost-of-living increases.

Reduction in the work week from 44-40 hours in the steel industry to spread jobs around.

Urged action on unemployment before it becomes critical. Some Ontario foundries already reported on three-day week; layoffs expected at Algoma before Christmas. They claimed the Maritimes as the worst employment picture, with the West worse than government statistics indicate.

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World Union Of Non-Reds

In London, Eng., last week a Netherlander, J. H. Oldenbrook, an official of the four-million-member International Transport Workers' Federation was appointed secretary-general and thus key man in the new International Confederation of Free Trade Unions. Organized in opposition to the Communist-run World Federation of Trade Unions, the new world group will have its headquarters in Brussels. Its initial membership: 50 million workers in 53 non-Communist countries.

Two of the four seats allotted to North America on the 18-member Executive Board went to Canadians; CCL Secretary Pat Conroy and TLC President Percy Bengough. They will represent this continent along with CIO President Phillip Murray and AFL President William Green.

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Parentage In Doubt

A third seamen's union, the Canadian Brotherhood of Seamen, made its appearance in Toronto last week. To many, it looked like an illegitimate offspring of the Communist-front Canadian Seamen's Union. The tipoff came from the Communists themselves; they gave the newcomer a pat on the back. To a non-Communist union, this would be the kiss of death.

Founders of the new union are mainly members and officials of the CSU. Spokesman was Edward Reid, former CSU post agent at Saint John, N.B. His statement said the founders included: Theodore Roy, former CSU Quebec vice-president; Robert Shumaker, another ex-CSU official and Aage Antonson, CSU port agent at Thorold. Last year Shumaker unsuccessfully tried to organize the so-called independent United Federation of Lake Seamen.

The new union's first statement sounded like an anemic version of a CSU blast: It would, of course, be nonpolitical and was formed because many seamen felt the AFL Seafarers' union acted as company agents in the East Coast deep sea strike which brought about the defeat of the CSU. Furthermore, the SIU works for United States interests and has no concern for the good of Canadian seamen, said the statement.

• • •

75c Minimum Wage Asked

The 40-hour week, 75c minimum wage and plugging of holes in the Trade Union Act were urged last week by the Saskatchewan Federation of Labor (CCL) in its annual presentation to the Provincial government.

The brief represented the combined submissions of 81 CIO or CCL unions with a total membership of 10,000. The CCLers said one of the biggest holes needing filling was the exemption of 83 towns and communities from provisions of the Hours of Work Act.

They asked that the usual requirements—time and half for overtime and 44-hour week—should apply to these rural areas as well as the larger urban districts.

"Furthermore," said the brief, ". . . the need for the 40-hour week is becoming more apparent than ever in the existing economic picture," arguing the shorter week should be brought in now in times of relative prosperity rather than in a period of depression. In fact, introducing it now would do much to avoid the worst effects of depression.

They also asked for a Fair Wage Act. It would have a threefold purpose: establish a "floor" under wages; erase unfair business competition; prevent substandard wage rates.

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Westinghouse Settles For 10c

Ever since it was expelled from the CIO and later by the CCL, the Communist-branded Electrical Workers' union (UEW) has been on the defensive. Last week they wormed a weapon out of Hamilton's Westinghouse and Welland's Page-Hersey Tubes, which could put them on the offensive, at least for the time being.

At Hamilton, they came up with a settlement giving 4,400 workers an average raise of 10c; the 40-hour week and an 18-month contract with a wage reopening clause. The base rate for women will be 89c; for men, $1.10. The 40-hour week (now 42½) begins Dec. 16.

At Welland, they claimed raises ranging from 6-18c for 1,200 employees, giving a base rate of $1.17 for employees on the 40-hour week. They also claimed improved health and welfare benefits.

To wean members away from the Red-run UEW, the anti-Communists will have to do better than this, which means increased pressure on employers as both sides strive to outdo the other.

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Raise Not What It Seemed

Toronto street railway operators have turned down an offer of 13c an hour increase because, in effect, it would actually only give them 1c an hour more. What the TTC proposed was that the 12c cost-of-living bonus already being paid be incorporated in the basic wage structure. Thus, only 1c of the 13c offer would be an actual gain in take-home pay.

AFL Street Railwaymen's Union wanted the bonus written into the wage structure and 11c besides. This would have brought rates for one-man cars up to $1.30; two-man cars, $1.25. Next step will likely be conciliation.

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Labor Briefs

CIO Steelworkers have started a campaign to extend the industry-wide $1.04 hourly rate and 44-hour week to members in Newfoundland. Talks have already started between union and Dosco at Wabana Mines. At Sydney, N.S. Tar & Chemical Co., a Dosco subsidiary, came to terms with the CCL. Contract calls for increase of 10c-12c an hour, raising the base rate to 98c.

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Belding Corticelli at St. Johns, Que. settled with CIO Textile Workers for 3c hourly increase; four instead of three paid statutory holidays; a third week's vacation for all with 25 years or more service.

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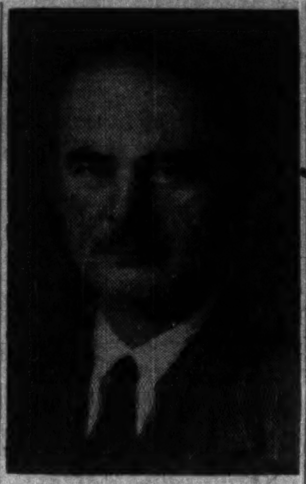
Wages for 1,200 British Columbia copper miners were raised 3%, giving basic shift rate of $9.50 under terms of new contract signed by Britannia Mining and Smelting, Granby Consolidated and CIO Mine, Mill & Smelter union. New agreement eliminates bonus payment arrangement based on copper prices.



GERALD G. RYAN

has been appointed a director of General Trust Co. of Canada. He is managing partner of L. G. Beaubien & Co., Montreal.

North. Electric Offers Process Heat Pointers

To help manufacturers solve their process heating and drying problems, Northern Electric Co. has set up an industrial heating test centre in its Toronto premises. The centre tests materials, advises on the type of installation required. Equipment includes two infra-red ovens, a paint spray booth, overhead monorail conveyor to carry materials through the spray booth and ovens, and a high frequency induction heating machine.

Better Buy That Mink Now, Prices May Be Up in '50

Thinking of a mink for the wife? Might be an idea to buy now. For retail prices, currently down on last year, could go back up again in the 1950 season. The same could happen on other furs, also down on last year by an average 15%-20%.

Reason: Heavy bidding by U. S. buyers at December raw fur auctions in Montreal at which mink shot up as much as 30% over last year's prices, dealers say. Though it was U. S. buyers who took most of the mink at these sales, reaction pricewise on next winter's mink coats could easily be felt here.

Price trend on other furs won't be known until the first general fur sale at the end of the month but all indications are for a firming all across the list.

At Hudson's Bay Co.'s first Canadian fur auction last week over 90% of 39,000 mink offered went for prices substantially above last year. Some choice bundles of wild mink went for as much as $50 a pelt. Earlier an average of some $20 was paid for ranch mink at Canadian Fur Auction Sales. U. S. buyers did most of the buying at both sales, which realized an estimated $1.3 million.

Volume Up

The 15% to 20% lower price tags on this winter's fur coats are drawing more women—and gift buyers—into retail furriers this month than in last December but it doesn't look as if they'll end up with any more dollars.

Though mink is enjoying the greatest popularity at the moment, Persian lamb and muskrat continue as leaders in unit sales at the retail level with kid and squirrel holding strong positions also.

Although credit sales are up this year, cash buying still predominates. Several large dealers claim there is just as much cash business as last year.

Style changes are few. Main trend this year is to the shorter, or ⅞ length coat. This alone is an important factor in reducing retail sale price since it represents an important saving in raw material and skilled labor time.

Style Break Soon?

Biggest thing in the Canadian style front might break later in the winter, one dealer says. The fur dyer will be the big factor in the change. Introduced to the Canadian market might be Persian lamb in midnight blue shades, muskrat coats without the characteristic stripe effects. If these new trends "take" with Canadian women they could be a big selling feature next winter.

Buyers at last week's fur auction got their first look at Hudson's Bay's new $750,000 Montreal five-story auction building. Company officials claim it's the first to be built exclusively for fur auctions in Canada.

Besides the main auction room, there are smaller rooms for private sales and sorting rooms. Refrigeration plant in the basement keeps furs in temperature of 28-32 degrees, with cold storage room capable of holding a whole year's Canadian fur crop. All the show benches have a northern exposure to enable buyers to see furs under true-color daylight.

Dosco Ore For Mill Planned In New England?

MONTREAL (Staff)—Interests connected with the proposed new steel mill in New England have approached Dominion Steel & Coal Corp. with regard to possible supplies of iron ore from that company, but so far dealings haven't got past the discussion stage, according to Dosco President C. B. Lang.

"They asked us whether we'd be prepared to supply them with ore, but they didn't tell us how much they would want or when it would be needed," Mr. Lang told The Post. "We said we'd be glad to supply it, but we haven't any idea what tonnage would be involved."

There was talk of a possible 500,000-ton or even one million ton operation, he said. On a rough basis, about two tons of iron ore are required for a ton of steel. The New England project is not the reason for the possible 50% increase in Dosco's Wabana iron ore capacity mentioned in the company's annual report early this summer, Mr. Lang said. Another source of ore, possibly the major one, for the New England operation would be the Ungava deposits, once they got into production, it is believed.

Regarding Newfoundland Government's proposed taxation on quarrying and mining operations, it's difficult to estimate the effect on Dosco's operations, Mr. Lang said. However, he added any impost which increases the cost of production of limestone, and particularly of iron ore—increases the company's difficulty in placing these products in competitive world markets.

In the past, the company's exports of iron ore, other than to its Sydney steel plant, have been largely to the United Kingdom. Devaluation of the British pound has seriously interfered with the company's position in that market, and the effect of any increase in the cost of ore will add to this disadvantage, he said.

The proposed Newfoundland taxes cost the company a minimum of $170,000 annually on the basis of 1948 production of 1.7 million tons of iron ore, it is indicated. A royalty of 10 cents a ton, or 10% of new profits, whichever is the larger sum, is contemplated in the proposed legislation.

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FOR MEN ONLY

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

Cheaper Cars For Vancouver?: Move by automobile dealers to bypass railway lines and bring automobiles into B.C. by freighters may mean cheaper cars for Vancouver motorists. Dealer reported ship freight charges on each car $74.50 cheaper than by rail, although cars went from Windsor factories to Montreal, up the St. Lawrence, down Atlantic coast, through Panama canal and up Pacific coast to Vancouver. In past, freighters competed with rail lines, but when the lines reduced rates on competitive commodities, service was discontinued. Now, however, in the face of two freight rises and removal of special commodity rates, shippers expect to see an increase in intercoastal service.

Tall Orders For Tall Timber: Climaxing a year that started out full of gloom and despite reduced U. K. demand, plus freight rate boosts cutting shipments to eastern Canada, B.C.'s lumbering industry is coming through with an estimated $360 millions output. Province mills figure production of some two billion feet board measure of sawn lumber and 882 million board feet interior, approximately the same as 1948, with much of it going into huge U. S. housing projects. As for recent U. K. order for 100 million board feet to be filled by B.C., Washington and Oregon, British Columbia claims it could fill order with two weeks output. To increase sales east of the Rockies, however, shippers are considering the possibility of freighting lumber through Panama to St. Lawrence ports for rail haul to eastern and central Canada.

* * *

Alberta

Million Dollar Industry: Great Slave Lake with an area of 11,170 square miles (3,630 sq. mi. greater than Lake Ontario) is now the centre of a million dollar fishing industry. Some 500 miles to the north of Edmonton, lake was opened to commercial fishing following scientific exploration of possibilities by Federal Fisheries Department in 1944. Catch limit of whitefish and lake trout at that time was set at two million pounds a year, has since been increased to nine million. Packed at Hay River on the south shore of the lake, fish are trucked, winter and summer, 325 miles to Grimshaw railhead and from thence some 90% of the catch finds its way to U. S. markets. As many as eight companies employing over 300 men are engaged in seasonal fishing.

To Map Official Boundaries: Spurred by applications for oil development and exploration leases in the unsurveyed areas bounding Alberta, B.C. and the Northwest Territories, $30,000 will be spent to make boundary lines official. Now just "lines on the map" approximately 100 miles will be surveyed on the B.C. - Alberta boundary and 30 miles between Alberta and the Northwest Territories with the former job taking six months and the latter nine. Cost of first survey will be divided between the two provinces and Ottawa, while Alberta and Ottawa will split the second.

* * *

Saskatchewan

Dry Belt Seeks More Aid: Although over $13 millions in Prairie Farm Assistance cheques have been distributed in southwestern Saskatchewan, dry area farmers think this is not enough. Meeting at Swift Current, some 700 farmers representing 6,000 in the district asked provincial and federal governments to recognize their plight as a national emergency (in the same way Fraser Valley floods were recognized as such two years ago) and requested special cash grant and payment of one dollar per cultivated acre in 1950 to enable them to carry on. A second resolution urged immediate attention be focused on a program of stabilized farming brought about through work and wages schemes.

Study Timber Thinning: Saskatchewan forestry branch will conduct experiments in timber stand thinning throughout 1950. Purpose will be to compare costs of three types of thinning—strip, mechanical and selective—and to study rate of growth on thinned as well as unthinned plots. Earlier this year provincial and federal research parties started thinning tests on 14 timber plots near Prince Albert to find best type of treatment for stands of jackpine. Re-measurements of plots will be taken at five-year intervals.

* * *

Manitoba

Push Trapline Development: New federal-provincial agreement will see some $700,000 spent in the next seven years to fully develop Manitoba's registered trapline scheme. Pioneered in 1941 to check wanton trapping practices which threatened province's fur industry (and quickly followed by other provinces) scheme granted exclusive trapping rights to trappers who could establish claims to a line on basis of previous occupancy. In 1945, the government extended plan to include new districts and to give equal rights to white and Indian trappers. Latest agreement arose from constantly-increasing costs of construction and administration which have outstripped the original scope.

Big Sugar Beet Crop: Manitoba Sugar Co. has completed processing one of the province's largest sugar beet crops—124,000 tons grown on 15,500 acres. While total tonnage was slightly below that of 1942, factory output was the highest of any crop ever produced in the province—35 million lb. of sugar, 17 million lb. of dried beet pulp and eight million lb. of molasses. Entire crop was grown within a 65-mile radius of Winnipeg with growers averaging 8½ tons per acre.

* * *

Ontario

Indians Can Sue For $1,289,467: Supreme Court of Canada has ruled that Six Nations Indians have a right to appear before the Exchequer Court and try to establish claims to debts said owing them. Sought is $160,000 said taken from the tribe's trust fund over a century ago and never returned. Interest charges of $971,085 are also sought. Entering the case are Western Ontario lands granted Indians by King George III in 1789 for aid in the American Revolution. Indians contend parts of this land were flooded in building Weiland Canal; that they received no compensation for land sold to the Grand River Navigation Co. in 1832; and moneys belonging to them were sunk in worthless Grand River stock by trustees.

Million-Acre Dutch Treat: Lying near the Canadian-U.S. border in Northwestern Ontario, a million fertile acres may be opened to some 2,000 Dutch immigrants next year. Admitted to Canada in groups at war's end, immigrants put in a year's labor on farms as required by Canada's agreement with the Netherlands Government. Land to be settled in a rolling plain bordered east by Rainy River, on north and west by Lake Of The Woods and south by the international line and will be sold to farmers at about $15 an acre. Produce will be marketed via rail through Winnipeg but Ontario Government has also proposed a new highway east to Fort William and Port Arthur.

* * *

Quebec

Seek "Transport Authority": "Terribly tired of hearing that Toronto is always away ahead of us" (the words are Mayor Camillien Houde's) city's law department has started drafting of a Montreal Bill asking for creation of a "Transport Authority" to take over all mass transportation in the city, excepting taxis and horse-drawn vehicles. Bill is to be submitted to city council next month and if approved will go to Quebec Legislature. Idea of a Transport Authority was recommended following studies by Montreal's Board of Research on Traffic and Transport Problems and among other things will be called on to: build a subway, one or more express ways, underground parking garages under Dominion Square and elsewhere.

* * *

New Brunswick

Saint John To Get Viaduct: Green light decision handed down by Mr. Justice M. B. Archibald, chief commissioner of the Board of Transport Commissioners has cleared the way for construction in early 1950 of Saint John's Mill Street viaduct. Urged for over half a century, project will cost $725,000 with Saint John putting up $350,000, and CNR $175,000. In addition Mr. Justice Archibald ordered $100,000 be contributed from a grade crossing fund. With rail tracks running under viaduct, a serious traffic bottleneck will be eliminated; tie up of city's buses will be overcome and crossing gates, a source of expense and inconvenience to the CNR, will be done away with.

Big Demand For Smelts: Four-month smelt fishing season on the north shore areas of New Brunswick got away to a late start, but catches of excellent quality are selling at 14 cents a pound. At peak, industry will see some 3,500 fishing "houses" dotting Miramichi Bay and other areas. Last year 4,859,000 lb. of smelts, valued at $835,000 were caught in these waters, nearly two million lb. over previous year. Strong demand is reported from New York, Boston and other eastern U. S. cities.

* * *

Nova Scotia

To Wage Two Party Fight: With the C.C.F. declining to run, Liberals and Conservatives will wage a straight two-party fight for Richmond county seat in the Dec. 20 provincial by-election. Contestants named are Earl Urquhart, 28, Liberal, and Alfred Baccardix, also 28, Progressive Conservative. The two are third year classmates at Dalhousie University law school at Halifax. Seat was left vacant by elevation of Attorney-General L. D. Currie to the Nova Scotia Supreme Court bench. Present standing in the 37-member house is: Liberals 27, Progressive Conservatives 7, CCF 2, and one vacancy.

* * *

Prince Edward Is.

4,000 Cars Potatoes Shipped: Rail and water shipments of Island potatoes to date this year approximate 4,000 cars, or a little over three million bushels. Seed quota for the U. S., 2.5 million bushels, was filed by Nov. 30. Turnip shipments to date are well ahead of last year's 1,100 cars for the whole season. Since the crop is about the same both years, farmers are evidently using less for livestock feed.

* * *

Newfoundland

Coast To Coast Highway: Joint effort of Anglo - Newfoundland Development Co., Bowaters Pulp & Paper Mills Ltd., and Newfoundland Government, a road over Gaff Top mountains (the roof of Newfoundland) has been constructed. Linking papermill towns of Corner Brook and Grand Falls, road transport for first time is now possible coast to coast. Highway may become part of the Trans-Canada Highway and, running as it does through wilderness famous for moose and caribou, is expected to prove lure to tourists. It will also give access to thousands of square miles of timber and agriculture lands not yet adequately explored.

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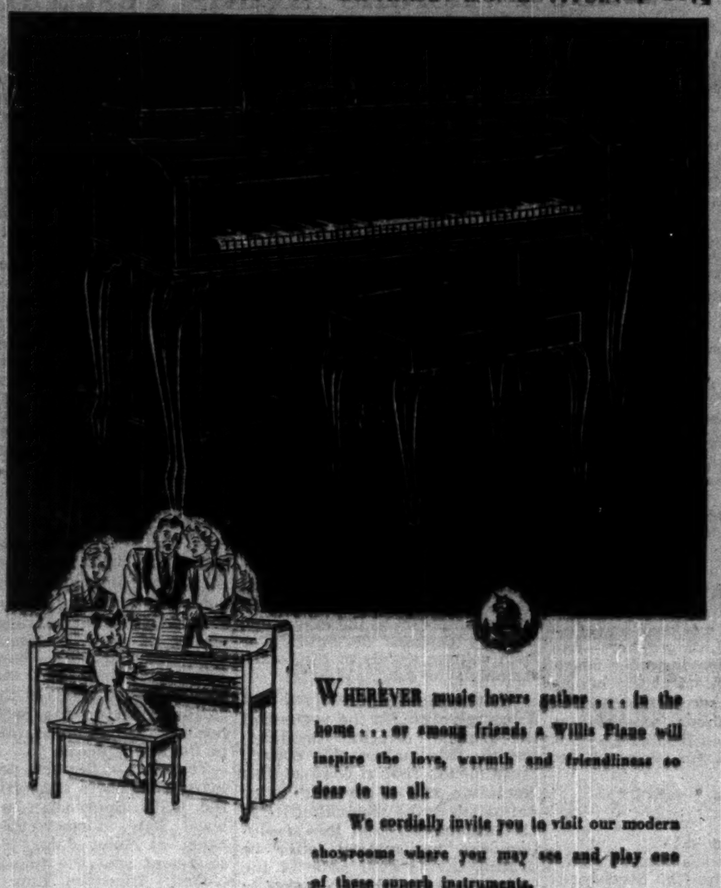

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NEW ISSUE

$4,000,000

Anglo-Canadian Oil Company Limited

(Incorporated under the laws of the Province of Alberta)

4% Convertible Sinking Fund Debentures Series "A"

To be dated November 1st, 1949 — To mature November 1st, 1964

Principal and semi-annual interest (May 1st and November 1st) payable in lawful money of Canada at any branch in Canada of the Company's bankers (Yukon Territory excepted). Coupon bonds in denominations of $500 and $1,000, registerable as to principal only.

Redeemable at the option of the Company at any time, in whole or in part, or for Sinking Fund purposes, on not less than 30 days' prior notice, at 103 up to and including November 1st, 1954; thereafter at 102 up to and including November 1st, 1959; thereafter at 101 if redeemed prior to maturity; in each case with accrued interest to the date fixed for redemption.

A Sinking Fund will be created for this issue of the Series "A" Debentures providing for an annual payment of a sum sufficient to redeem $267,000 principal amount of Series "A" Debentures, the first such payment to be made November 1, 1952, and annually thereafter. It is estimated that these payments will retire 80% of the Series "A" Debentures by maturity.

CONVERSION PRIVILEGE

Each $100 principal amount of Series "A" Debentures will be convertible, at the option of the holder, into fully paid and non-assessable shares of the capital stock of the Company, as constituted after the proposed increase in the authorized number of shares from 3,000,000 to 5,000,000, on the following bases:

up to the close of business on October 31, 1951—19 shares; thereafter and
up to the close of business on October 31, 1953—17 shares; thereafter and
up to the close of business on October 31, 1955—16 shares.

The Trust Deed will provide that, in the event of: (a) any reduction in the number of Common shares of the Company outstanding due to consolidation thereof; or (b) any increase in the number of such shares due to subdivision thereof or to any stock dividend, an appropriate adjustment shall be made in the number of shares issuable pursuant to such conversion privilege subsequent to any such change in the number of outstanding shares becoming effective.

Trustee: Montreal Trust Company

In the opinion of Counsel, these Series "A" Debentures will be investments in which, pursuant to The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended, companies registered under said Act may invest their funds.

CAPITALIZATION
(upon completion of present financing)

	Authorized	Issued and to be issued
Debentures	$8,000,000	
4% Convertible Sinking Fund Debentures Series "A"		$4,000,000
Common Stock of no par value*	3,000,000 Shs.	2,365,000 Shs.

*The Company has called a meeting of its shareholders for the purpose of obtaining their approval to increasing the authorized capital stock of the Company from 3,000,000 shares to 5,000,000 shares of Common Stock of no par value.

We, as principals, offer these Series "A" Debentures, subject to prior sale or change in price, if, as and when issued and accepted by us and subject to approval of all legal details by Messrs. A. L. Smith, Egbert & Smith, Calgary, on behalf of the Company, and by Messrs. Milner, Steer, Dyde, Poirier, Martland & Layton, Edmonton, on our behalf, and subject to the approval of the shareholders of the Company to increasing the authorized capital stock from 3,000,000 shares to 5,000,000 shares.

Price: 100 and accrued interest to yield 4.00%

It is expected that Series "A" Debentures in interim form or trustee's interim certificates will be available for delivery on or about December 22, 1949.

Subscriptions will be received subject to rejection or allotment in whole or in part, and the right is reserved to close subscription books at any time without notice.

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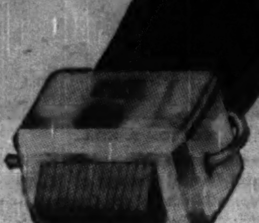

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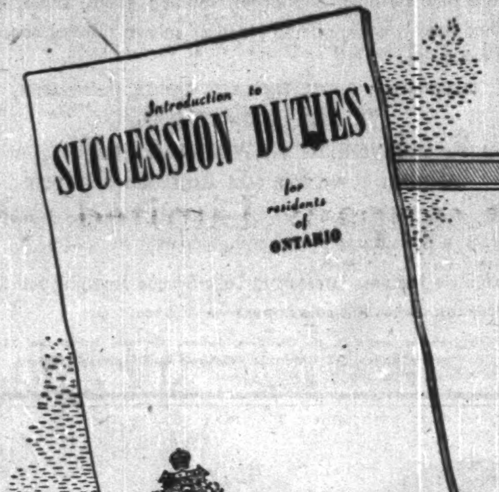

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Of special interest is the chapter "How can succession duties be kept to a minimum?"

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NEW ISSUE

$2,000,000

PROVINCE OF PRINCE EDWARD ISLAND

3% Fourteen-year Sinking Fund Debentures
(Non-Callable)

To be dated December 15th, 1949 — To mature December 15th, 1963

Principal and half-yearly interest (June 15th and December 15th) payable in lawful money of Canada in the Cities of Charlottetown, Montreal, Toronto, Halifax or Saint John, N.B. at the option of the holder. Coupon debentures in denominations of $500 and $1,000 with provision for registration as to principal.

Legal Opinion: Messrs. Heward, Holden, Hutchison, Cliff, Meredith & Ballantyne

In the opinion of Counsel, these debentures will be direct obligations of the Province of Prince Edward Island, and will be a charge as to principal and interest upon the Consolidated Revenue Fund of the Province. The purpose of this issue is to retire temporary indebtedness incurred during the present fiscal year for highways and other capital expenditures.

A Sinking Fund of a sum equal to 3% of the principal amount of this issue will be provided annually.

Particulars of the Funded Debt and other financial statistics of the Province will be found in the official prospectus which is available upon request.

PRICE: 99.50 and accrued interest to yield over 3.04%

SUBSCRIPTIONS WILL BE RECEIVED SUBJECT TO REJECTION OR ALLOTMENT IN WHOLE OR IN PART AND THE RIGHT IS RESERVED TO CLOSE THE SUBSCRIPTION BOOKS AT ANY TIME WITHOUT NOTICE.

IT IS EXPECTED THAT DEBENTURES IN DEFINITIVE OR INTERIM FORM WILL BE READY FOR DELIVERY ON OR ABOUT JANUARY 5th, 1950.

WE, AS PRINCIPALS, OFFER THESE DEBENTURES IF, AS AND WHEN ISSUED AND ACCEPTED BY US AND SUBJECT TO APPROVAL OF COUNSEL ABOVE MENTIONED.

Royal Securities Corporation Limited — **Cochran, Murray & Co. Limited**

The statements contained herein are based upon information obtained from official sources but are in no event to be construed as representations by us.

December 10th, 1949.

LONDON CALLING—*By Adelphi*

Morrison Would Make Political Parties Publish Fund Receipts, Expenditures

LONDON — There is something going on at Westminster which will be of more than academic interest to many Financial Post readers in Canada.

Herbert Morrison, whose father was a Cockney policeman, announced out of the blue that before Parliament adjourns for the Christmas recess it will debate a Private Members' Resolution demanding that political parties must issue a balance sheet showing the contributions to their funds and details of the expenditure.

Morrison is, of course, behind the move. It is a favorite trick of his (the Press Enquiry is an example) to get three or four backbench Socialists to put down a resolution, and for himself as Leader of the House to give them Parliamentary time to debate it.

* * *

Our 'Erb has recently been uttering sinister warnings about the possibility of an M.P.'s election being declared null and void owing to the propaganda of an industrial firm being included in the expenditure allowed to the candidate.

Perhaps this needs a word of explanation. The amount that can be spent by a candidate or his friends and supporters is strictly limited. The sum would be approximately £800 for a constituency with 50,000 voters. That must cover all printing, display, hire of halls and any or every kind of expense. If some excited industrialist in the constituency decided on his own account to plaster the hoardings with exhortations to vote for that candidate, the cost would be added to the candidate's expense total. This would apply of course only to the period of an actual election.

* * *

Angry At Campaign Against Sugar Plan

But Morrison has been trying to get around that.

He is very, very angry with Lord Lyle, head of the great sugar group of Tate & Lyle, because his lordship is conducting a furious propaganda campaign against the Government's plan to nationalize sugar.

Not only does Lord Lyle speak on the public platform, but his lorries carry anti-nationalization posters, and even his retail packages of sugar carry the same message of defiance. So Morrison, as the policeman's son, stood up at a public meeting and said that he wasn't sure that this "wicked expenditure of shareholders' money" might not be added to election costs of the Conservatives and thus cause certain M.P.'s to lose their seats.

The Tories went bull-headed for him in Parliament. Since when was it wrong for shareholders' money to be spent in defense of the interests of shareholders? Since when was Government policy something that could only be criticized on the floor of the House? Since when ? ? ? ?

With icy sarcasm a Tory asked: "If I spent money advertising the political virtues of Mr. Aneurin Bevan, could I have your assurance that Mr. Bevan would be unseated?" The row reached such proportions that the suave, debonair Attorney General Sir Hartley Shawcross was sent in to explain the inexplicable. It was a brilliant performance. His arguments and conclusions sounded logical and were phrased in the very best legalese but at the end no one was any wiser. But everyone agreed that Morrison had been made to look foolish.

* * *

However, he does not lightly turn the other cheek. Having come unstuck in this jolly little attempt at political blackmail, he then arranged for his stooges to demand the full publication of party receipts and expenses.

I see no way of stopping it since the Government can carry it by a large majority. Admittedly there will be a general election before it can be carried into practice, but there would be a certain embarrassment if a triumphant Tory Government repealed the decision and restored the secrecy of Parliamentary funds.

* * *

Duke of Windsor Looking Younger

There was a rather wistful dinner party given this week in London to the Duke of Windsor by Group Captain Max Aitken and Brigadier (one-eyed) "Mike" Wardell at White's Club. There is nothing else quite like "White's." It has retained something of the atmosphere of former days when it was the gathering place of the Regency bucks. Gambling is fairly high there, and the members are very much "men about Town," like Duff Cooper, Randolph Churchill, Freddie Cripps (the socialite brother of Socialist Stafford) and the livelier, younger Tories from the Commons and the Lords.

The dinner for the Duke was in a private room but afterwards they came down to the lounge and there was a general re-union with the members in general. The Duke looked much younger than his contemporary photographs, which are not kind, and he obviously enjoyed meeting many of those who comprised the younger set when he was the idol of the nation.

Not all of his London visit was so pleasurable however, for he was consulting his advisers on necessary economies forced on him by the devaluation of the pound.

Simpsons Pushes New Plan For Toronto Area Warehouse

Simpsons Ltd., and The T. Eaton Company Limited, are reported planning to build suburban distribution depots for heavy goods in North York township, near Toronto.

Simpsons has an option to buy 26 acres on Bathurst St., south of Lawrence, and is grooming plans for construction of a big one-story warehouse with landscaped grounds. Township council has approved the project in principle and has applied for approval of the Ontario Municipal Board. A local bylaw passed in 1940 restricts the area to residential use. Members of Bathurst Heights Home Owners' Association, other residents and builders Monday passed an opposing resolution which now will go to the Municipal Board. North York Planning Board Chairman Dr. George Langford said the store will transfer its project to another suburban municipality if it can't get the site now sought.

The T. Eaton Company Limited is reported to have held for some time about 30 acres on Don Mills Rd., at the opposite or easterly flank of the same township and for a similar purpose.

Some real estate observers this week commented to The Financial Post that such properties ultimately might become—or be expanded to include—suburban department store branches in keeping with an American merchandising and architectural trend to urban decentralization.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

IMPERIAL VARNISH & COLOR CO. net profit for the year ended Aug. 31, 1949 was off 3.9%. Sales have shown a further improvement during the year, but owing to increased operating costs, and increased cost of raw materials, net earnings show a small decrease.

The year was a satisfactory one from the standpoint of general operations, but "we are now in more competitive markets," President G. C. McEwen states. Sales continue to improve, and this improvement has carried over into the current year.

INCOME ACCOUNT

Years Ended Aug. 31:	1949	1948
Net oper. income	$261,154	$300,077
Less: Deprec. res.	59,860	50,516
Income tax	76,284	94,500
Tsf. to invent. res.	......	25,000
Net profit	125,010	130,061
Less: Pref. divds.	16,083	16,083
Com. divds.	58,971	50,930
Surplus for year	49,956	63,048
Earnings per Share and Dividend Record:		
Preferred	$11.66	$12.13
Paid	1.50	1.50
Common	2.03	2.13
Paid	1.00+0.10	0.80+0.15
Pref. & com. (partic.)	1.94	2.02

CONDENSED BALANCE SHEET

As at Aug. 31:	1949	1948
Cash	$114,570	$91,722
Accts. rec.	258,954	237,227
Investments	10,947	10,947
Inventories	633,527	780,106
Total curr. assets	1,017,998	1,120,002
Misc. assets▲	40,765	69,501
Fixed assets†	480,635	430,204
Total assets	1,539,398	1,619,707
Accts. & tax. pay.	275,890	405,845
Dividends pay.	17,423	14,742
Total curr. liab.	293,313	420,587
Invent. res.	150,000	150,000
Capital stock	357,400	357,400
Earned surplus	738,685	691,720
†After depr. of	626,003	575,968
▲Incl. ref. EPT	8,701	24,543
Working capital	724,685	699,415

BEATTY BROS., Ltd. net profit for the fiscal year ended Aug. 27 was off 8.8%. Sales were the highest in company's 75-year history. Wages and cost of materials continued to increase, and since company did not increase its prices, margin of profit decreased moderately, it was said.

Total additions to fixed assets amounted to $551,166, principally for extension and modernization program under way since end of war. Larger projects included completion of shipping and warehouse facilities and modernization of power facilities. At the Spencer division at Penetanguishene a new building for offices, engineering and research was completed. At the James Stewart Manufacturing Co. Woodstock, a new building was completed which, though in use for only part of the year, made it possible to increase output of this plant by 12%.

A sales warehouse is under construction at Edmonton and plans for a sales warehouse at Saint John are completed.

CONS. INCOME ACCOUNT

Years Ended:	Aug. 27 1949	Aug. 28 1948
Net earnings	$1,809,486	$1,952,302
Less: Income tax	635,000	728,758
Deprec.	227,307	184,083
Net profit*	947,179	1,039,461
Less: Com. divd.	396,150	305,800
Surplus for year	551,029	733,661
Earnings per Share and Dividend Record:		
Common†	$2.27	$2.49
Paid†	0.25	....
Paid (old)‡	2.10	2.20

†After (‡before) 3-for-1 common stock split on Apr. 8, 1949.

*Note—Net profits exclude profit on sale of assets and invests. of $6,901, equal to 2c a sh. in 1949; $99,515, equal to 24c a sh. in 1948.

CONDENSED CONS. BALANCE SHEET

As at:	Aug. 27 1949	Aug. 28 1948
Cash & govt. bds.	$88,898	$500,146
Accts. & int. rec.	1,329,752	1,265,876
Life ins., c.s.v.	315,507	311,709
Inventories	4,845,957	4,429,071
Total curr. assets	6,580,114	6,506,802
Prep. exp.§	61,837	63,313
Misc. assets▲	184,066	374,185
Inv. & adv. sub. co.	14,124	13,639
Fixed assets♦	1,672,534	1,348,675
Total assets	8,512,675	8,306,674
Bank loan	81,634	203,431
Accts., tax, etc., pay.	1,235,305	1,465,437
Total curr. liab.	1,316,939	1,668,868
Capital stock	1,475,000	1,475,000
Surplus	5,720,736	5,162,806
♦After depr. of	unstated	1,748,308
▲Incl. ref. EPT	85,728	190,152
§Incl. in current assets in co's report.		
Working capital	5,263,175	4,837,934

Sherbrooke to Vote On $1.5 Million New Bond Issue

MONTREAL (Staff) — Sherbrooke ratepayers will vote Dec 22 on a municipal bylaw authorizing the sale of a $1.5 millions bond issue to pay for its purchase of the Bromptonville plant from the Brompton Pulp & Paper Co.

The city is primarily interested in the power available at the plant site and hopes to sell the buildings. The plant had been closed down in May due to uneconomic production costs, and the company this fall accepted the city's offer of $725,000 for the property, including the power rights.

City survey showed that an expenditure of $850,000 for new equipment and renovation of the dam and powerhouse would make possible the addition of another 10,000 hp to the city's electricity supply. Sherbrooke's Chamber of Commerce estimates that gross annual revenue from sale of power at Brompton will be $342,500, expenses $142,692, leaving net revenue to the city of $198,808.

Audited Report Of Red Cross Open to Public

Financial affairs of the Canadian Red Cross Society are under strict audit and are wide open for public examination, Hon. Treasurer L. A. Winter told The Financial Post.

He was commenting on the statement of Senator Norman Paterson to the effect that "many contributors who had supported the Red Cross were not satisfied with the Society's disposition of its funds."

A highly detailed annual report showing disposition of the funds is widely distributed, The Post learns.

"It's as well run as any business I've ever had anything to do with," one prominent executive intimate with Society affairs declared.

Referring to the financial statements, Mr. Winter stated that not only were the national consolidated statements circulated, but that a statement for each provincial division and for the larger individual branches were circulated. Audits were done of the branch statements, of the division statements, and of the national statement independently, he stated.

In addition to these, the Society's Act specifically provides that a report "including a full, complete and itemized report of receipts and expenditures of whatever kind . . . shall be duly audited by the Department of Militia and Defence" and be furnished to the Minister of that department and to the Minister of Health.

Purpose of the amendment being sought is threefold:

1. To legalize the use of the name of the Society in French—"La Société Canadienne de la Croix-Rouge."
2. To permit an increase in the number of members of the Central Council (the governing body). This was a result of Newfoundland entering Confederation and so becoming a division of the Canadian Society.
3. To cancel a clause limiting the holdings of real estate to a fixed figure or else increase the amount. All real estate held by the Society is for its own purposes, none being held for investment purposes.

The two latter sections were killed by the Senate.

Marconi To Run Two Stations Following Modulation Split

MONTREAL (Staff) — Canadian Marconi Co. will now operate two stations in Montreal under separate commercial licenses following approval by CBC boards of governors last week of the split-up of its CFCF AM and FM stations.

Up till now an AM (amplitude modulation) station could have an FM (frequency modulation) outlet as well, but the two had to carry virtually the same programs.

The new program planned is expected to become an additional source of revenue for the company. Now that FM is no longer tied to its AM mother's apron strings, there can be a far greater development of the FM field, a company official told The Post. Separate programs will be able to make the most of FM's high fidelity reception and freedom from static (but shorter range), he said.

Although plans haven't been completely formulated as yet, company expects to feature longer programs on one particular theme, including such things as a series of musical works of one composer.

At the moment, CFCF-FM carries the same programs as the AM station except for periods of two or three hours in the evening when cultural programs are carried. Daytime FM programs have not been mapped out as yet, but it's expected that things will be under way in about a month, company states.

Hydro Power in Excess Means U.S. $ For B.C.

From Our Own Correspondent

VANCOUVER — Third 62,000 horsepower unit of British Columbia Electric's Bridge River hydro plant, 100 miles north of Vancouver, began whirring last week to make B. C. the only large area in the West and Pacific Northwest with enough power.

The Bridge River project now has three units of the same size in operation, for a total of 186,000 hp. Eventual capacity of the plant is estimated at 620,000, two-thirds of Niagara.

Already exporting electric current to the power-short states south of the border, B.C. Electric will now be able to increase that U.S.-dollar producing export.

The company expects to have another 47,000 hp available soon from its Ruskin plant in the Lower Fraser Valley.

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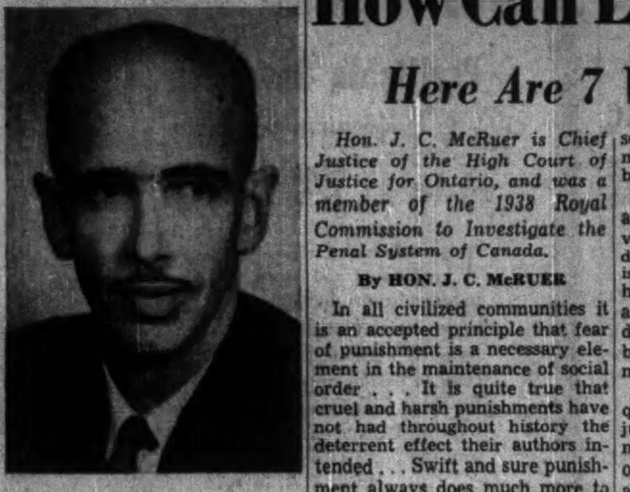

GEORGE POLAND

George H. Poland has been appointed manager of the Montreal office of Young & Rubicam Ltd., it was announced by A. R. McGill, vice-president and managing director of the advertising agency. Mr. Poland has been with Young & Rubicam Ltd., since 1940, with the exception of three-and-one-half years which he spent in the Canadian Army (Active). He has worked as an account executive on various accounts in both Toronto and Montreal offices and will continue in this capacity in conjunction with his new duties. Mr. Poland moves to Montreal from the Toronto office. *

How Can Law Administration Best Be Reformed?

Here Are 7 Ways Ont. Chief Justice Sees Sentences Should Be Handled

By special arrangement, The Financial Post herewith gives a digest of an article in the Canadian Bar Review.

What steps can be taken to improve the administration of law as a social agent, in the best interests of society as a whole and of the convicted criminal?

In this article, dealing with sentences, Hon. J. C. McRuer, Chief Justice for Ontario, recommends:

(1) A probation system should be established for the supervision of all released on suspended sentence.

(2) Probation officers should be available to make reports on convicted persons for the information of the court before sentence is passed.

(3) Minimum or fixed sentences should be abolished except in the case of murder.

(4) Whipping should be closely regulated as to the character of the instrument to be used, the maximum number of strokes, and the time when the punishment is inflicted.

(5) The administration of the Ticket of Leave Act should be under the Commissioner of Penitentiaries and those recommending ticket of leave should act in close co-operation with the prison instructors.

(6) Those released on ticket of leave should be supervised by probation officers.

(7) The administration of the federal penitentiaries and the provincial reformatories should be unified.

Hon. J. C. McRuer is Chief Justice of the High Court of Justice for Ontario, and was a member of the 1938 Royal Commission to Investigate the Penal System of Canada.

By **HON. J. C. McRUER**

In all civilized communities it is an accepted principle that fear of punishment is a necessary element in the maintenance of social order . . . It is quite true that cruel and harsh punishments have not had throughout history the deterrent effect their authors intended . . . Swift and sure punishment always does much more to regulate society effectually than the severity of the punishment. It may well be that at some time during the course of human evolution all these elements may be replaced by an appeal to the good conscience of the individual, but we have not yet reached that stage.

The only legal guide in imposing any sentence, outside of the statutory provisions authorizing it, is contained in the Bill of Rights, which provides that "Excessive fines ought not to be imposed or cruel or unusual punishment inflicted." In Canada, every sentence imposed by the courts must be within the limits defined by law.

With human agencies there will always be wide difference of views on the severity with which different crimes should be punished. In some cases Parliament has recognized human weakness and substituted its will for the discretion of the presiding judge by making provision for fixed or minimum sentences.

The wisdom of this course is questionable. It is much easier to justify a fixed punishment for murder, with all the safeguards of review that have been thrown around the execution of the sentence, than a minimum sentence for theft of a motor vehicle. An arbitrary law of the latter character tends to corrupt the administration by creating a will to circumvent it.

Our Probationary System

Sections 1081 to 1083 of the Criminal Code form the legal foundation for conditional release of convicted persons, and the basis for the development of any probationary system in Canada.

These sections in their original form were first enacted in 1892 and have not yet undergone the revision that would make them consistent with modern ideas of a good probation system.

The main object of probation is to reclaim the offender without exposing him to prison treatment and prison associations, wherever that course is consistent with good law enforcement. Any judge or magistrate who is capable of deciding the guilt or innocence of an accused, and the length of term he should serve, ought surely to be capable of deciding whether he should be released on probation.

It is a fundamental principle of the administration of justice in countries of British origin that criminal law should be administered by a free and independent judiciary. Notwithstanding this principle, the judges of the highest courts, when considering whether the offender should be released on suspended sentence or sent to prison, are by the provisions of those sections subjected to the direction and control of counsel appearing for the Crown in all those cases where the punishment for the offense is imprisonment for over two years. . . . That the real object of these restrictive provisions is to maintain a political control over this aspect of the court cannot be doubted. Such a purpose is quite foreign to a pure administration of justice . . . It is submitted that all limitation on the power of the court to grant probation should be eliminated from the Criminal Code.

Suspended Sentence

It is no part of the discussion of these sections to enter upon the broad subject of probation, but one cannot leave them without emphasizing the importance of complementary provincial legislation making provision for adequate supervision of those released on suspended sentence.

To suspend sentence without the imposition of any terms and without means of enforcement of the terms imposed is a formality that does not lend much guidance to the future conduct of the offender and becomes too often a mere means of escape from punishment. A "suspended sentence" should be a restriction on liberty and some punishment. A good probation officer may make it a highway that leads not to, but away from prison.

The imposition of fines, except for minor offenses, does not make for a healthy administration of justice. A fine may be, and it is feared often is, a mere license fee to commit crime. It tends to measure the punishment for the offense committed according to the financial resources of the offender. A modest fine, with an alternative prison term, imposed on a man who has not the ability to pay, is in fact a sentence to prison, while a very substantial fine imposed on one of ample financial resources is an inconsequential punishment. Any element that gives those who have financial resources an opportunity to escape the more severe punishment that is reserved for those who have not, destroys in some measure respect for all law.

Term of a Sentence

There are three main considerations that should be borne in mind in deciding the term of a sentence:

(1) What punishment for the particular offense committed in the circumstances in which it was committed will serve as a deterrent to others who may be disposed to commit crime, and will at the same time maintain public confidence that law is being properly enforced in the community?

(2) What effect will the punishment have on the offender? Will he at the end of it be more, or less, likely to commit crime?

(3) Is the offender one who ought to be segregated from society as a protection to those with whom he might come in contact?

The first cannot be viewed without regard to the social conditions in the community in which the offense was committed. In a vast country like Canada dogmatic and general statements can give no guidance. A good conscience in the judicial officer usually will. The second and third cannot be disassociated from the subject of the reformative treatment of prisoners.

Penitentiaries and Reformatories

The whole problem is made more difficult for judges and magistrates by the division of jurisdiction between the provinces and the Dominion with respect to penitentiaries and so-called reformatories and the absence of any proper scheme for preventive detention for persistent offenders.

The report of the Royal Commission to Investigate the Penal System of Canada (1938) recommended that the Canadian penal system should be centralized under the control of the Government of Canada, with federal authorities taking charge of all prisons in Canada, the provinces retaining only a sufficient number to provide for offenders against provincial statutes, prisoners on remand and those serving short sentences. If this recommendation should be implemented, it would be possible to give a more comprehensive consideration to the treatment of all prisoners sentenced to serve substantial terms.

Few of the judicial officers in Canada can have any intimate knowledge of the difference between a sentence served in the penitentiary and one served in the various grades of reformatories existing in the jurisdiction. There are also many young people who should be sentenced to periods of over two years in order that there may be supervision over them, not only while they are confined but also during some considerable period after release, if they are released before the expiration of a fixed term of sentence.

The recommendation of the Royal Commission was that necessary legislation should be passed for the control of persistent offenders and habitual criminals and that a special institution be established for the incarceration of such offenders, in which the predominant principle should be segregation and not punishment or reformation. This recommendation has been implemented to the extent that legislation was passed in 1947 making provision for the trial and conviction of persons alleged to be habitual criminals and for sentence upon conviction as a habitual criminal to an indeterminate sentence. No provision has yet been made for a special institution where such offenders may be segregated. Until this has been done, the legislation will have little value.

If the punishment of whipping is to be retained, the provisions of the law governing it should be revised and clarified. If one whipping, administered early in the prison term, is not sufficient punishment, it is not likely that two or three, administered at intervals during a long term, will do much to protect society.

The administration of the Ticket of Leave Act and the exercise of the royal prerogative (of mercy) are closely related to the sentence passed by the court and have a direct bearing on it . . . No proper system of conditional release can operate equitably unless those in charge of it have intimate knowledge of all the relevant facts connected with the application and the applicant. The report of the Royal Commission showed that in 1936 a representative of the Remissions Branch spent 25 days in the penitentiaries of Canada and dealt with 1,045 cases, or 41.8 cases a day, and no institution was visited more than once a year.

The recommendation of the Royal Commission that the administration of the Ticket of Leave Act be brought under the Prisons Commission is of great importance to the fair administration of this Act. Those who are charged with the custody and treatment of prisoners, including those who teach and instruct them, would in such case play a large part in guiding the remission officers when making recommendations for their release.

There would appear to be too many gaps between the work of the courts and those who are concerned with offenders after the sentence is imposed . . . Judges, magistrates, police officers on all levels, prison officials, members of parole boards, remission officers and parole officers are all concerned with the protection and regulation of society. There can be, and ought to be, no strict regimentation of the parts they play in this branch of government but there should be close co-operation toward attaining the end to which they are all working.

GORDON S. HULL **DONALD H. JUPP**

Two important appointments are announced by Mr. L. J-B. Forbes, Vice-President and General Manager of Pilkington Brothers (Canada) Limited. Mr. Donald H. Jupp, a Director of the Company, is now appointed Assistant General Manager with Mr. Gordon S. Hull replacing him in his previous position as Glass Sales Manager.

Mr. Jupp, who is a graduate of Cambridge, joined Pilkington Brothers Limited, England, in 1933, and after serving in various capacities in the England market, he was transferred to the Canadian company in 1935 to occupy an executive position in the Sales Department, being appointed Glass Sales Manager in 1946. He served for five and a half years with the Canadian Army mostly overseas in England and the Mediterranean during the war, gaining the rank of Lieut.-Colonel and being awarded the O.B.E.

Mr. Hull, who joined Pilkington in 1927, served in the Ontario Sales Organization until 1936 when he was appointed Manager, and subsequently Director, of Vitrolite Limited, a subsidiary company of Pilkington Brothers (Canada) Limited. In addition to these duties he assumed the post of Specialty Sales Manager in 1947, and for the past 18 months has been Acting Glass Sales Manager during Mr. Jupp's absence in England where he was acting as Export Sales Manager for the parent company. *

Ford's $55 Pension Offer Is Rejected By Union

A wholly company-financed pension plan which would provide a monthly benefit of $55 at 65 or after 30 years of service, has been offered by Ford Motor Co. of Canada to the CIO Auto Workers' union. The offer was arbitrarily rejected by the union leadership without reference to the rank and file. The union is holding out for $100 a month.

The offer was made this week at a meeting of the union negotiating committee and company officials. The Ford plan would cost approximately $18 millions over a period of 20 years to cover "past service" pensions, plus about $1 million annually for current and future benefits. The company "simply could not" meet the union's demand, which it estimated would run into $32 millions for past service pensions and $1.7 millions for current and future, without "endangering the future security of the company and everyone connected with it, including the employees themselves."

Comparable to U. S. Plan

Wallace H. Clark, Ford's director of industrial relations, said the company offer would compare favorably with the one in the United States. He pointed out the $100 a month pension in the U. S. is made up in part by payments under the U. S. Social Security scheme, the balance by Ford.

Ignoring this, Union Director George Burt declared: "If Ford workers in the United States are entitled to pensions of $100 a month, Canadian Ford workers are not prepared to accept less. The . . . offer is wholly unsatisfactory."

He insisted there was no parallel between the U. S. arrangement and Canada. He claimed $100 a month pensions would run the company about 15c. an hour. The offer, he added, amounted to only 3½c. "It is so low as to be entirely unacceptable," he declared.

Following is the company's statement in part:

"We feel the offer we have made is a very fair and reasonable one. The indicated cost (of the union's pension demand) is so great, in our opinion, as to be beyond the ability of the company to absorb. It is not unlikely that there would be years in which income would be insufffficient to meet these costs, in addition to all others.

"The volume of business and profits realized in the past three years have been much higher than in the years before World War II, but there are now signs that a highly competitive market is developing in the automotive business.

". . . cost will be an important deciding factor in the coming competitive struggle. Our company takes the view that it would be extremely unwise to jeopardize our position by undertaking extraordinarily heavy obligations for pensions in future years.

"The Ford plan would provide $55 a month at 65 or older after 30 or more years of service. An employee retiring at 65 or older with fewer than 30 years of service, but not less than 15 years, would receive proportionate benefits. Special provisions cover earlier retirement, after 30 years of service, under certain special circumstances.

"Normal retirement age would be 65 . . . retirement would be automatic at 68, but there would be no increase in benefits after 65.

"The plan would become effective on the first of the month following four months after the signing of a pension agreement. Benefit payments would begin one month after the effective date.

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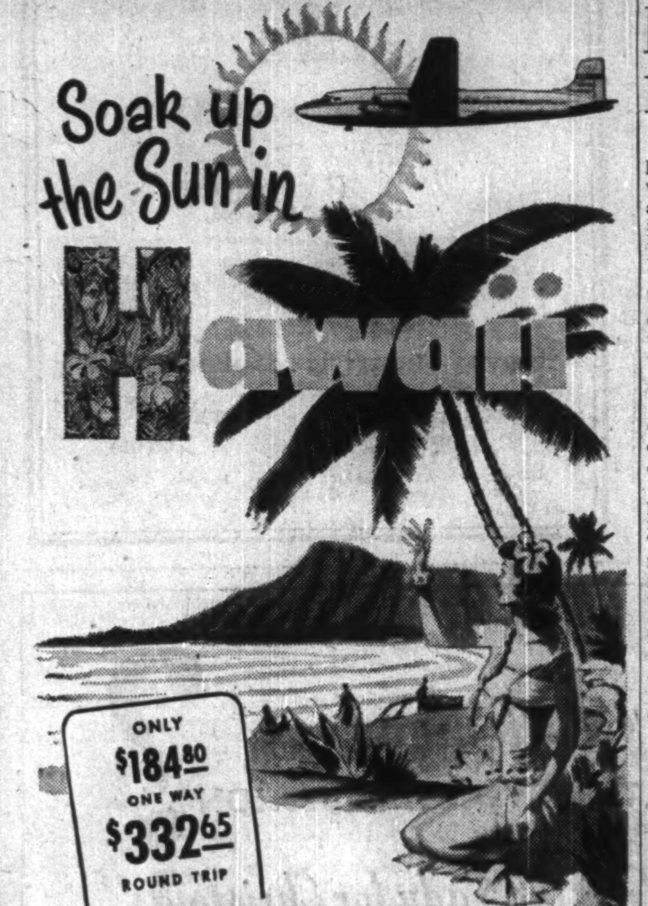
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Christian's Electric and Hardware which has been operating in Oshawa successfully for many years as the leading hardware and electrical appliance store in the city, featuring hardware and electrical appliances, sporting goods, china, and allied lines is being offered for quick sale as a going concern at a bargain.

EQUIPMENT, STORE FIXTURES, OFFICE EQUIPMENT,
TRUCK, ETC. — $15,000
INVENTORY AT WHOLESALE COST
ANNUAL TURNOVER HAS EXCEEDED $400,000

This store enjoys many of the leading Canadian manufacturers' electrical appliances and equipment franchises.

Extensive business interests at Lake Simcoe requiring full-time attention makes this sale imperative at once.

Telephone or write D. H. Christian, Sutton, Ontario, Telephone 184
or Mr. Bailey, Store Manager, Oshawa — Telephone 1000

Mrs. Smith goes shopping
"... and a dozen eggs, grade 'A' large... that's all, thanks."

MRS. SMITH's shopping trip *might* have taken an hour. Actually, it took three minutes — by telephone.

To housewives in a hurry, the telephone means a lot. It's like having an extra pair of hands to help out — an extra pair of feet to run errands, or get help in emergencies. Any way you look at it, your telephone is *big* value.

No wonder more people are using more telephones — and that requests for service are at an all-time high. We should like to be able to provide service for all who want it, when and where they want it. We will continue to do all we can to reach that goal.

THE BELL TELEPHONE COMPANY OF CANADA

How Do Your 'Most Popular' Stocks Compare?

15 of 20 Top On Post List Are Higher

By JAMES H. JOYCE

Which 10 Canadian stocks do you consider the best hold over the next three years?

That question was asked members of the Canadian stock exchanges by The Financial Post two years ago.

With two-thirds of the period expired, highlights of the record to date, as given in the accompanying tables, are:

(1) Of the 20 "most popular" stocks, 15 are selling at a higher price than two years ago.

(2) Of the five "most popular" stocks which are lower than two years ago two—Bell Telephone Co and International Nickel Co.—were near the top of the list, the other three — Fanny Farmer Candy Shops, Price Bros. and Geo. Weston, Ltd.—were near the bottom of the list.

(3) Of the 20 "most popular" stocks, 13 have gone up in the past year, three are only fractionally lower and four are lower.

(4) The stock which received the greatest number of votes—Consolidated Mining & Smelting—is lower than it was a year ago but still higher than in December, 1947.

(5) Of the stocks of 119 different companies mentioned in the lists turned in, 76 are selling higher than two years ago and 43 are selling at a lower price.

(6) One stock, not among the 20 "most popular," shows a price appreciation of 261.8% — the largest rise of any of the 119 stocks. It is Industrial Acceptance common. The largest part of its rise has taken place within the past year in which time the stock was split on the basis of two common for one Class "A."

(7) Two other stocks, also not among the 20 "most popular," have more than doubled in price in the past two years. They are Home Oil, up 174.7% and Standard Paving & Materials, up 134.8%.

(8) Eight other stocks show price appreciation of 50% to 100%. They are — Northern Trusts, up 94.3%, Canada Cement 89.0%, Canadian Celanese 87.1%, Traders Finance "A" 85.8%, Winnipeg Electric 78.5% and Westeel Products 64.4%, Imperial Oil 57.0% and Zeller's 51.4%.

(9) Eighteen more stocks show price appreciation between 25% and 50%. They are, in alphabetical order: Aluminum plus 35.5%, C.P.R. 29.5%, Canadian Westinghouse 44.0%, Cockshutt Plow 28.7%, Dominion Bridge 25.0%, Dominion Engineering Works 25.0%, Dominion Stores 29.5%, International Paper 28.4%, Leduc-West Oil 49.0%, McColl-Frontenac Oil 25.0%, Molson's Brewery 30.3%, Montreal Locomotive Works 27.3%, Noranda Mines 47.0%, Page-Hersey Tubes plus 48.8%, Quemont Mining 46.6%, Sick's Breweries 32.2%, Traders Building Association 28.8% and Hiram Walker-Gooderham & Worts 45.4%.

(10) Poorest record of all the 119 different companies mentioned in the list is shown by Brown Co. common, which is down 48.9% in the past two years.

(11) Ten other stocks are down over 25% namely, Commercial Alcohols down 38.9%, Canadian Industrial Alcohol "A" 37.5%, Labrador Mining & Exploration Co. 31.9%, International Petroleum Co. 31.4%, National Grocers 30.3%, Donnacona Paper 30.0%, Great Lakes Paper 28.3%, Minnesota & Ontario Paper 28.3%, Fanny Farmer Candy Shops 26.0% and Ogilvie Flour Mills 25.2%.

(12) Another seven stocks are down between 15% and 25% namely: Bates & Innes 23.5%, Dome Mines 19.3%, Lake of Woods Milling 17.2%, John Labatt Ltd. 16.7%, Macassa Mines 18.4%, Maclaren Power & Paper 17.8% and National Breweries 16.5%.

(13) Over the same period the Dominion Bureau of Statistics Index of all stocks rose 10.6%.

The timing of any investment is always an important factor. This was stressed in the replies of many brokers who did and did not submit lists of stocks. It is well illustrated by the price movements of the stocks mentioned.

Two other fundamentals of successful investment also stressed were:

(1) The necessity of continuous supervision so that changes are made to meet changing conditions.

(2) The necessity of considering the requirements of the individual investor.

There is yet another year to go before the individual records of these stocks can be assessed according to the question asked. Much may happen in that time.

The record of the 119 stocks is given in the accompanying table.

Here's Record of 20 Which Headed List

	No. of Votes	Dec. 1947 Price $	Dec. 1948 Price $	Recent Price $	Change Since 1947 %	Div. Rates‡ $	Yield %	Earned per Share* $	Recent Price Times-Earnings
Consol. Mining & Smelting	26	96	124	111	+15.6	11.00	9.91	16.70	6.6
Bell Telephone Co.	21	42½†	42½	41	—3.5	2.00	4.88	2.08	19.7
Aluminium Ltd.	18	43	58½	58¼	+35.5	2.60	4.44	7.34	7.9
H. Walker-Gooderham & W.	18	25⅞	27¾	37⅝	+45.4	2.40	6.38	8.19	4.6
International Paper Co.	16	58¼	56½	74½	+27.9	5.00	6.71	16.73	4.5
International Nickel Co.	16	32	34½	31⅜	—2.0	2.00	6.37	2.55	12.3
Moore Corp.	15	73	74	77	+5.5	3.50	4.55	6.18	12.5
Canadian Celanese Ltd.	14	15½†	22½	29	+87.1	1.55	5.34	3.61	8.0
McColl-Frontenac Oil	12	12½	14¼	15⅝	+25.0	0.50	3.20	1.93	8.1
Ford Motor of Canada	11	22¼	25½	25	+12.4	2.00	8.00	4.80	5.2
Imperial Oil	11	14¼	19¼	22⅜	+57.0	0.50	2.23	0.84	26.6
Building Products Ltd.	11	28¼	32¾	34½	+22.1	1.60	4.64	3.30	10.5
Hudson Bay M. & S.	11	42	56¾	48	+14.3	4.00	8.33	5.60	8.6
Kerr-Addison Gold Mines	10	15¼	13¾	18⅛	+18.9	0.60	3.31	0.35	51.8
Fanny Farmer Candy Shops	9	48⅝	36½	36	—26.0	2.00	5.56	3.21	11.2
McIntyre Porcupine	9	60½	52¾	67⅛	+11.0	3.01½	4.49	2.88	23.3
Canadian Industries Ltd.	9	22½	22	23½	+4.4	0.75	3.19	1.06	22.2
Price Brothers	9	66¾	57	62	—7.1	4.50	7.26	14.21	4.4
Canadian Breweries Ltd.	9	23¼	19⅞	23⅞	+2.7	2.00	8.38	3.11	7.7
George Weston Ltd.	8	27	24	25½	—5.6	1.00	3.92	2.50	10.2

† Adjusted for stock splits.

‡ Based on payment in 1949 or indicated rate.

* For latest fiscal year available.

How They Look Today

	Votes	Dec., 1947 Price $	Dec., 1948 Price $	Recent Price $	Change Since 1947 %
Abitibi Power	4	17½	14⅝	21⅝	+23.6
Acadia At. Sugar "A"	1	19⅝	22	24¾	+24.5
Algoma Steel	3	13½‡	13½‡	14⅛	+4.6
Aluminium	18	43‡	58½	58¼	+35.5
Asbestos Corp.	2	26	25¾	24¾	—4.8
Bank of Montreal	2	27⅛	26	28	+3.2
Any Bank Stock	2	...	...	...	...
Bates & Innes	1	17	16	13†	—23.5
B. C. Power "A"	1	26	26½	27⅞	+7.2
Bell Telephone	21	42½‡	42½	41	—3.5
Brazilian Traction	1	19⅛	18½	19¼	+0.7
B. A. Oil	5	22½	23¼	26½	+17.8
Brown Co.	1	5⅞	4	3	—48.9
Building Products	11	28¼	32¾	34½	+22.1
Burlington Steel	1	12½	13	14†	+12.0
Burns & Co. "A"	1	30	30¾	28	—6.7
Canada Cement	2	18¼	24	34½	+89.0
Can. North. Power	1	12¼	9½	12	—2.0
Canada Packers "A"	1	37½	32⅞	36½	—2.7
Can. Bank of Com.	1	23	23	24¾	+7.6
Canadian Breweries	9	23¼	19⅞	23⅞	+2.7
Canadian Canners	1	20¾	18⅜	20½	—1.2
Canadian Celanese	14	15½‡	22½	29	+87.1
Can. Fire Insur.	1	19½	18¾	19¾	+1.3
Can. Industries	9	22½	22	23½	+4.4
C. P. R.	1	13⅛	16¼	17	+29.5
Canadian Tire	1	28	22	29½	+5.4
Can. Westinghouse	1	40⅝	54	58½	+44.0
Coast Breweries	1	3.45	3.25	3.40	—1.4
Cockshutt-Plow	1	11¾	12⅝	15⅛	+28.7
Commercial Alcohols	1	4½	6	2¾	—38.9
Consolidated Paper	6	18½	17⅝	19	+2.7
Cons. Min. & Smelting	26	96	124	111	+15.6
Consumers' Gas	1	155	151¼	158	+1.9
Can. Ind. Alcohol "A"	1	14	11⅞	8¾	—37.5
Distillers-Seagrams	1	20	18¾	20½	+2.5
Dome Mines	6	22	16½	17¾	—19.3
Dominion Bridge	1	31½	28½	39⅜	+25.0
Dom. Engineering Wks.	1	42	45	52½	+25.0
Dom. Foundries & St'l.	5	29¼	26	27¼	—6.8
Dominion Glass	1	39	39¾	46½	+19.2
Donnacona Paper	1	25	20½	17½	—30.0
Dominion Stores	2	26¼	23⅝	34	+29.5
Dom. Tar & Chem.	2	22	22	24	+9.1
Dominion Textile	1	12¼	11⅞	11½	—6.1
Falconbridge	1	4½	4.45	4.80	+6.7
Famous Players Can.	5	17½	14⅝	15	—14.3
Fanny Farmer Candy	9	48⅝	36½	36	—26.0
Ford Motor of Can.	12	22¼	25½	25	+12.4
Fraser Cos.	1	26½‡	28¼‡	25	—5.7
Gen. Steel Wares	1	16	15¼	17¾	+10.9
Giant Yellowknife	4	6.10	4.80	6.40	+4.9
Globe Oil	1	0.51½	0.70	0.64	+24.3
Gordon McKay "A"	1	10½	10¾	10½	...
Great Lakes Paper	5*	19	15⅝	13⅝	—28.3
Gyp. Lime & Ala. Can.	5	15½	16⅝	18½	+19.4
Hollinger Cons.	6	11.75	12⅜	10	—14.9
Home Oil	2	4.55	13.00	12½	+174.7
Howard Smith Paper	1	30	31	37¼	+24.1
Hudson Bay M. & S.	11	42	56.75	48	+14.3
Ind. Acceptance	2	8½‡	10⅛‡	30¾	+261.8
Inglis, John	1	9½	8⅞	8¾	—7.9
Imperial Oil	11	14¼	19¼	22⅜	+57.0
Imperial Tobacco	3	13⅞	13⅜	14¼	+2.7
Inter. Paper	16	58	56½	74½	+28.4
Inter. Metal Ind. "A"	1	29	26	28⅛	—3.0
Inter. Nickel	16	32	34½	31⅜	—2.0
Inter. Petroleum	3	12¾	12⅞	8¾	—31.4
Inter. Power	1	50	44½	48	—4.0
Kerr-Addison Gold	10	15.25	13.75	18⅛	+18.9
Labrador Min. & Exp.	2	6.75	5.90	4.60	—31.9
Lake of Woods Milling	1	32	26½	26½	—17.2
Lake Shore Mines	1	14	11¼	13¾	—1.8
Leduc-West Oil	1	0.53	0.87	0.79	+49.0
Labatt, John Ltd.	2	24	23	20	—16.7
Loblaw Groceterias	1	30	30	32	+6.7
Macassa Mines	2	3.10	2.18	2.53	—18.4
MacMillan, H. R. Ex. A.	1	10	10	9½	—5.0
Madsen Red Lake	2	3.25	2.40	3.10	—4.6
Massey-Harris	4*	16¾	22¼	20¾	+23.9
McColl-Frontenac Oil	12	12½	14¼	15⅝	+25.0
McIntyre Porcupine	9	60.50	52.75	67⅛	+11.0
Maclaren Pwr. & Pap.	1	45	39	37	—17.8
Minn. & Ont. Paper	5	23	21¾	16½	—28.3
Molson's Brewery	2	38	35½	49½	+30.3
Montreal Loco. Works	1	16½	19¼	21	+27.3
Moore Corp.	15	73	74	77	+5.5
Modern Containers	1	14	13½	13½	—3.6
National Breweries	2	44	37½	36¾	—16.5
National Grocers	1	16	14¾	12¾	—30.3
National Trust	1	28¼	29	28½	+0.9
Noranda Mines	3	46.25	55	68	+47.0
Northern Trusts	1	17½	34	34	+94.3
Ogilvie Flour Mills	5	26¾	22	20	—25.2
Page-Hersey Tubes	5	32¼	37½	48	+48.8
Powell River Co.	5	42¼	40	44¾	+5.9
Price Brothers	9	66¾	57	62	—7.1
Quemont Mining	1	14.75	14⅝	21⅝	+46.6
Royal Bank	1	24¾	25¾	27	+9.1
Russell Industries	2	14½	18	18	+24.1
San Antonio Gold	4	4.20	3.85	3.90	—7.1
Shawinigan W. & P.	6	21½	23¾	24½	+14.0
Sick's Breweries	4	14¾	16¾	19½	+32.2
Simpson's "A"	3	27	28¾	28¾	+6.5
St. Law. Paper Mills pf.	1	136½	130¾§	141§	+3.3
Standard Pav. & Mat.	1	5¾	7	13½	+134.8
Steel Co. of Can.	5	77½	82	93½	+20.6
Steep Rock Iron	1	2.06	1.66	2.25	+9.2
Tamblyn, G.	4	27	27½	31	+14.8
Teck Hughes Gold	1	3.65	2.65	3.15	—13.7
Traders Building Assn.	1	16.30‡	17½‡	21	+28.8
Traders Finance "A"	1	14⅝	19½	27¼	+85.8
Ventures	2	7.30	5.65	6.75	+7.5
Walker-Gooderham	18	25⅛	27¾	37⅝	+45.4
Westeel Products	1	29½	37	48½	+64.4
Western Grocers	1	25	23½	28	+12.0
Weston, George	8	27	24	25½	—5.6
Winnipeg Electric	1	19¾	34½	35¼	+78.5
Zeller's	1	35	41	53	+51.4

* Preferred and common combined.

‡ Adjusted for stock spilts.

† Bid.

§ Based on value of new securities.

CITY OF VERDUN, Que., has sold $79,500 2¾% bonds due Nov. 1, 1950-59 and $203,500 3% due 1960-69 to L. G. Beaubien & Co. and Banque Canadienne Nationale for price of 96.835 and net cost of 3.242%. Proceeds are for local improvement works (sidewalks and lanes) and for sewers and water mains. Net consolidated debt at Dec. 31, 1948, was $5,970,421; population, 77,074.

ALUMINUM CO. OF CANADA has canceled further 225 4% cumulative redeemable preferred shares, reducing outstanding shares to 556,014.

TOWN OF VICTORIAVILLE, Que., has sold $100,000 2¾% bonds due Oct. 1, 1950-59 and $115,000 3% due 1960-69 to Geoffrion, Robert & Gelinas and McTaggart, Hannaford, Birks & Gordon for 97.85 and net cost of 3.169%. Proceeds are for waterworks and sewers, pavings, sidewalks, etc. Net consolidated debt at July 31, 1949 was $1,034,041; population, 11,998.

CHATEAU-GAI WINES LTD. has declared a dividend of 30c per share payable Jan. 10, 1950, to shareholders of record Dec. 28. Last previous payment was 45c per share on June 14, 1949.

BOOKS FOR BUSINESSMEN

THE WORLD CRISIS IN MAPS by Dimitri J. Tosevic; Ryerson Press, Toronto; 36 pages; price 85 cents.

With 14 colored maps and footnotes, and a brief commentary, Mr. Tosevic traces the history of Soviet policy and moves in Europe from 1914 to the present time. His purpose: "the pointing out, for your warning, of the aims and some of the tactics of Communism; and the solving of Europe's pressing problems by Federation."

The author is a native of Yugoslavia; was driven out of Czechoslovakia by the Nazis, and has since made his home in Canada. He has written several books on the Balkans; in 1944 wrote a warning on German instincts and ambitions under the title "Not Nazis but Germans."

For all who follow European affairs, his latest book should be kept within easy reach.

* * *

MY GRANNY VAN, by George Sessions Perry; McGraw-Hill Co. of Canada, Toronto; 223 pages; price $3.25.

"The Running Battle of Rockdale, Texas" is the sub-title of Mr. Perry's family biography, and he carries through his theme with a rollicking, lively account of the vigorous old lady who ruled her little world with a vivid imagination and a charming combination of tact and tyranny.

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UNITED STATES OF MEXICO
Offer to Holders of
Mexican Railway Obligations

To Holders of the Following Mexican Railway Securities:

National Railways of Mexico Guaranteed General Mortgage 4% 70-Year Sinking Fund Redeemable Gold Bonds due October 1, 1977
Vera Cruz and Pacific Railroad Company First Mortgage 4½% Gold Bonds due July 1, 1934
National Railways of Mexico Prior Lien 4½% 50-Year Sinking Fund Redeemable Gold Bonds due July 1, 1957
National Railroad Company of Mexico Prior Lien 4½% Gold Bonds due October 1, 1926
National Railroad Company of Mexico First Consolidated Mortgage 4% Gold Bonds due October 1, 1951
The Mexican International Railroad Company 4½% Prior Lien Sterling Bonds due September 1, 1947
The Mexican International Railroad Company First Consolidated Mortgage 4% Gold Bonds due September 1, 1977
Pan American Railroad Company First Mortgage 5% Gold Bonds due January 1, 1934
Pan American Railroad Company General Mortgage 5% Gold Bonds due January 1, 1937
Mexican Central Railway Company, Ltd. 5% Priority Bonds due July 1, 1939
Mexican Central Railway Company, Ltd. 5% Equipment and Collateral Gold Bonds First Series dated April 1, 1897
Mexican Central Railway Company, Ltd. 5% Equipment and Collateral Gold Bonds Second Series dated October 2, 1899
Mexican Central Railway Company, Ltd. 5% Equipment Notes Series Ten dated January 1, 1907
National Railways of Mexico 6% Secured Gold Notes, maturing up to Jan. 1, 1917 Series "B" dated April 1, 1914
National Railways of Mexico 6% Secured Gold Notes, maturing up to Jan. 1, 1917 3-months Secured dated December 1, 1913
National Railways of Mexico 6% Secured Gold Notes, maturing up to Jan. 1, 1917 3-year Secured dated January 1, 1914
National Railways of Mexico 6% Secured Gold Notes, maturing up to Jan 1, 1917 Series "C" dated June 1, 1914
National Railways of Mexico 6% Secured Gold Notes, 2-year due June 1, 1915
National Railways of Mexico 2-year 6% Secured Notes due July 1, 1916

The offer of the Mexican Government to the holders of obligations of the National Railways of Mexico and other constituent companies constituting the National Railways System has been modified pursuant to the terms of a Modification Agreement between the United Mexican States, the Administration of The National Railways of Mexico and the International Committee of Bankers on Mexico (1946) dated November 24, 1949.

Holders of the above described obligations of the National Railways of Mexico and other Mexican Railway securities which have been registered to indicate non-enemy ownership in accordance with a certain Decree of the Mexican Government dated August 2, 1942, as amended, who have not previously assented to the Agreement, may do so on and after December 7, 1949.

Holders of the above described Mexican Railway obligations who have previously assented will have the right to withdraw such assent or to alter their assents from Plan A to Plan B, or from Plan B to Plan A, at any time to and including January 18, 1950, and after said date no such withdrawal of or alteration in assent may be made and all said assenting holders who have not withdrawn shall be deemed to have accepted the terms of said Modification Agreement dated November 24, 1949.

Provided however, that said 1946 Agreement as amended by said Modification Agreement of 1949 shall not be declared operative if withdrawals of said obligations and other securities prior to the expiration of the right of withdrawal do, in the opinion of the Mexican Government and the said Committee, unduly reduce the present percentage of acceptances.

Copies of said Modification Agreement of November 24, 1949 have been filed with each depositary under the said 1946 Agreement, and copies of the amended prospectus may be obtained upon request on and after December 7, 1949 at the office of the Mexican Government's fiscal agent, Pan American Trust Company, 70 Wall Street, New York 5, New York.

UNITED STATES OF MEXICO
RAMON BETETA
Minister of Finance

December 7, 1949

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Platinum Bracelet, set with 24 emeralds and 24 diamonds 3,200.00

Diamond Solitaire, with marquise diamond each shoulder. Platinum 1,300.00

Circle Brooch, fashioned in platinum, and set with 33 diamonds 1,150.00

Cat's-eye Ring, surrounded with 20 diamonds. Platinum 2,500.00

Platinum Wedding Ring, set with 4 baguette and 18 round diamonds 750.00

Cultured Pearl Necklace, 18kt. white gold clasp. 200.00

Others from 100.00 to 1,000.00; some with diamond-set clasps.

Carved Amethyst Brooch, with diamond in centre and 3 diamonds in stem. Platinum and 18kt. white gold 1,700.00

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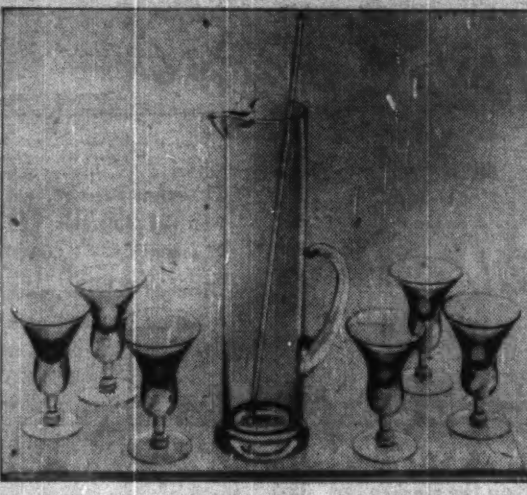

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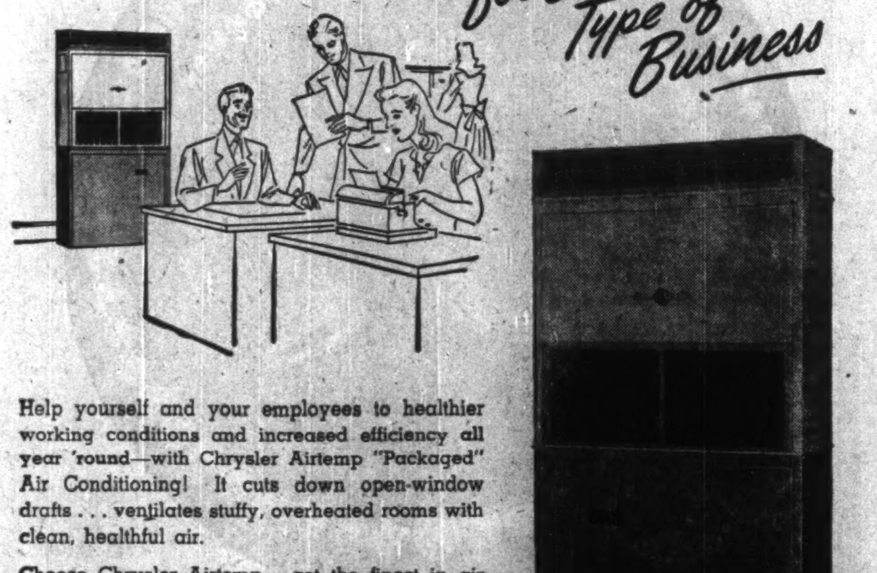

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Manitoba Rises

Manitoba's provincial Dept. of Industry & Commerce is publishing a series of reports on industrial facilities of cities, towns and villages. Greater Winnipeg got the spotlight last week when the department issued a tidy summary of that area's resources and development. Big strides in manufacturing are highlighted.

New stature in manufacturing of Manitoba as a whole is pictured by latest Dominion Bureau of Statistics estimates for 1949. Jobs in manufacturing are put at about 42,000, up 7% from 1947, payroll at $87 millions, up 26%, and gross value of production at $483 millions, up 26%. Greater Winnipeg now has an estimated 1,300 manufacturing establishments, up about 40% in two years. Figures for manufacturing in Greater Winnipeg are for the year 1947, and cover industries with 15 or more employees. These show establishments at just under 900, employees at 32,000, payroll at $56 millions, and gross value of production at $307 millions.

The department also is conducting a survey of Manitoba manufacturers to determine the possibility of (a) establishing new industries utilizing waste materials and by-products; (b) the availability of excess manufacturing capacity for manufacture of new products.

• • •

City Will "Sell"

Trois Rivieres city council, effective Jan. 1, will set up a civic industrial commission and name a full-time industrial commissioner to promote establishment of new industries, help develop established firms. Annual budget at $18,000 will include salaries and expenses. He'll be assisted by a voluntary three-man board, members to be named soon.

• • •

Liquid Air

Canadian Liquid Air, Montreal, is building a $17,000 plant in Saskatoon; recently completed $75,000 expansion of its Montreal plant. CLA makes compressed gases, oxyacetylene and electric welding and cutting requisites, acts as exclusive Canadian sales agent of "l'Aire Liquide" North American division.

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Arctic Ice

Arctic Ice, Saskatoon, is building 1,200 sq. ft. artificial ice plant unit, wood and stucco.

• • •

Westeel

Westeel Products Ltd., Toronto, maker of sheet metal construction goods, is building a 600 sq. ft. wood and stucco addition to its Saskatoon plant at about $10,000; architects Webster & Gilbert; contractors Smith Bros. & Wilson. E. S. Sargeant is vice-president and managing director.

• • •

Windsor Tool

Windsor Tool & Die, Windsor, Ont., recently began building a 1 story extension, concrete block and brick, about 6,000 sq. ft., about $20,000; contractors Woodall Bros. The plant was built in 1948 to replace smaller premises.

• • •

Wakefield

C. C. Wakefield & Co., British maker of lubricants, with headquarters in London and main Canadian distribution offices in Montreal and Toronto, has completed purchase negotiations for about 3¾ acres in Long Branch, near Toronto, on which it plans to build its first Canadian branch plant. Canadian Manager is H. H. Ferguson, Toronto. Construction is scheduled to start next spring with cost estimated in construction circles at about $1.5 millions, including equipment, land, etc.

• • •

C-I-L

Canadian Industries Ltd., Montreal, has foundation in at Kingston, Ont., nylon plant, for expansion of nylon yarn and staple fibre capacity at a cost of several millions. Spinning and textile area is being built out about 50 ft. to heights varying from 3 to 6 stories and to enclose about 110,000 sq. ft. of additional floor space, mainly steel and brick. About 300 more workers will be added on completion about a year hence.

• • •

Armco

Armco Steel's Armco Drainage & Metal Products of Canada, Guelph, Ont., recently bought additional land adjoining its Winnipeg plant at Higgins Ave., and Mordaunt St.; plans 1950 construction of an extension. In Edmonton last month the company completed building a new metal clad plant unit at about $30,000, representing substantial expansion from an older building on another site there. Armco makes subway and cross bar grating, bridge decking, corrugated metal and asbestos-bonded pipe, spiral welded pipe and fittings.

• • •

Victoriaville

Victoriaville Specialties Ltd., Victoriaville, Que., this month will complete $15,000 plant extension; contractor Antonio Pratte.

• • •

Bay Bronze

Bay Bronze Co., Winnipeg, aluminum and bronze castings, has walls going up for a new 5,000 sq. ft. foundry, brick construction; contractor W. H. Smith. It's on Walls St. Present location of Bay Bronze is Pacific and Yeoman Streets.

• • •

Tennant

H. F. Tennant Ltd., Amherst, N.S., manufacturer of aerated waters, carbonated beverages (Coca Cola franchised bottler), recently began building a new bottling plant in Moncton to cost about $25,000; contractor Modern Construction. The one story plant, about 8,000 sq. ft., will be of concrete block and brick.

• • •

Burndy

Burndy Canada Ltd., Toronto, subsidiary of Burndy Engineering, New York, reports full production of electrical connectors and other specialties in Toronto plant opened last spring. Other plants are in New York City, Vernon, Cal.

• • •

Skinner

Skinner Co., Oshawa, Ont., metal stampings (auto parts), last week received contractors' tenders for an extension of about 25,000 sq. ft., to plant and office, mainly 1 story, steel and brick; architects Hanks & Irwin. A few days earlier, Skinner started building a boiler house; engineers Robert Lynar & Associates; contractors Bathe & McLellan.

• • •

Canada Dry

Canada Dry Ginger Ale, Toronto, has under construction at Sudbury, Ont., a new bottling plant 1 story and basement, 16,500 sq. ft., steel, concrete, block and brick; architect JJ. B. Sutton; contractors H. Barlow & Sons. At Hamilton, Halifax and possibly other locations, further new plants may be built soon either by Canada Dry or its franchise bottlers. New plant at Windsor, Ont., was completed recently. Another at Rimouski, Que., is nearing completion.

• • •

Standard Tube

Standard Tube Co., Woodstock, Ont., electric welded and butted tubing, E. J. Hosack, president and general manager, has walls up for a 20,000 sq. ft. steel and brick 1 story extension; contractor James A. Vance. The $125,000 extension, to be completed early in 1950, will house new products soon to be announced. A traveling crane will be installed by Richards-Wilcox Canadian.

• • •

CB's O'Keefe

The Canadian Breweries subsidiary, O'Keefe's Brewing Co., continues major expansion of Toronto ale brewery at Dundas and Simcoe streets. Foundation was completed recently for a 5 story, 130,000 sq. ft., bottling and shipping building, reinforced concrete brick and stone; foundation contractor Evan S. Martin; superstructure Anglin-Norcross Ontario. Earlier this year at the same plant, a 3 story, 32,000 sq. ft. cold storage unit was completed by Evan Martin. CB's engineering vice-president is Thomas G. Ferguson.

• • •

Ronson

Ronson Art Metal Works (Canada), subsidiary of Newark, N.J. firm of the same name, recently completed and staged formal opening of a 12,000 sq. ft., steel, concrete block and brick extension to plant; architects Hanks & Irwin; contractor J. Carroll Construction. Ronson makes cigarette lighters on a production line, now has nearly 40,000 sq. ft. under roof in its Toronto plant.

• • •

Canada Govt.

Secretary J. M. Somerville of Canada's federal Dept. of Public Works at Ottawa is to call contractors' tenders soon to build the superstructure of the new $6 million federal bureau plant across the river in Hull, Que.; architect Ernest Cormier. Foundation contractor, Concrete Construction Ltd., already is pouring concrete footings and piers.

New Oil Pipeline Ready By Fall '50

Construction of the second Portland-Montreal pipeline will start next May. It is expected that the new 18-in., $15-million line will be completed by November. The first pipeline—a 12-in. line—over the 236-mile stretch was laid during the war.

The new line will increase the present daily average delivery of oil from 68,000 barrels to 140,000 barrels a day. The increased capacity has been made necessary by the sharp expansion in refinery capacity in the Montreal area—the four main owners of the line, Imperial Oil, British American Oil, McColl-Frontenac and Shell Oil, all having expanded their Montreal refineries. These four companies will provide the capital for the project.

Petroleum to be delivered to Portland by tanker for pipe transportation to Montreal will come from three sources: Gulf ports of Texas, West Coast oilfields of South America and the Middle East. The new line will parallel the old line as far as the St. Lawrence River. It will keep to the original route from Highwater on the Vermont border, through Cowansville and St Cesaire. Then it will veer south near Boucherville, so that the St. Lawrence River will be crossed some 2,000 ft. south of the existing line.

TOWN OF STE. FOY, Que. has sold $102,000 3% bonds due July 1, 1950-63 and $426,000 3¼% due 1964 to Gairdner & Co., Banque Canadienne Nationale, J. T. Gendron Inc., Lagueux & Desrochers, and Dudley Dawson Ltd. Price was 97.416 for net cost of 3.462%. Of 1964 maturity, $414,000 will be paid out of 25-year renewal loan at that time. Proceeds are for waterworks. Net consolidated debt at Dec. 31, 1948 was $50,400 ($42,200 for waterworks); population, 4,307.

CITY OF SHERBROOKE, Que., has sold $83,000 2¾% bonds due Aug. 1, 1951-57 and $417,000 3% 1958-64 to Bank of Montreal, McTaggart, Hannaford, Birks & Gordon, Geoffrion Robert & Gelinas Inc. and A. E. Ames & Co. Price was 97.50 for net cost of 3.227%. Proceeds are for construction of a bridge across the St. Francis river. Net consolidated debt at Dec. 31, 1948, was $6,076,950 ($1,481,272 for waterworks and electricity); population, 47,111.

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FP-19

Concrete and Glass Make New Building Panel

Test Lightweight "Sandwich" To Speed Work, Lower Costs

New construction techniques are undergoing critical tests to speed work, meet rising costs. The Financial Post reports here on the "glass sandwich" — a filler of glass insulation between concrete slabs which may be a big step forward in low-cost, lightweight prefabrication material.

BY CLIVE CHATTOE

They're making sandwiches bigger than 10 feet square in a Toronto factory, with a "filling" of cellular glass spaced between slabs of steel-ribbed concrete.

With these big, flat sandwiches you may build cheaply and quickly "curtain" walls for anything from a cozy little bungalow or store to a giant factory or skyscraper.

Brainchild of a young Canadian, backed by Canadian enterprise capital, they're going well in factory-building Canadian industry. And the Americans are eating them up.

A construction engineer with a yen to beat the Americans at their own game of technical invention has done that with these sandwiches: a wall panel design and precasting method that, according to architects and engineers interviewed by The Financial Post "seem to hold out hope for worth-while savings in material, labor, function and building efficiency."

Mr. Murray

The engineer: Victor Stuart Murray, 42, dark and quick of speech, a hard-driving, pipesmoking civil engineer graduate of Queen's University and the Ontario Dept. of Highways, with 20 years of concrete in his blood. Murray's idea of a lightweight, self-insulating wall panel from a factory germinated during lab experiments for better, simpler bridges; took root at war's end in a demonstration house for Housing Enterprises of Canada Ltd.; flowered when late in 1946 he organized Murray Associates Ltd.

As head of that firm, Vic Murray got in his first big licks of glass sandwich panel pioneering. Now he's doing the same thing in a bigger way as chief engineer and general manager of Creaghan & Archibald Ltd.'s new precast concrete division in Toronto.

(Before Murray came along, C & A operated mainly in concrete maintenance, repair and waterproofing. Now, with absorption of Murray Associates, it's one of Canadian construction's few "manufacturing" general contractors.) For an important assist in the panel's development, Murray gives enthusiastic credit to E. P. Muntz, of Toronto, head of Ontario Hydro-Electric Power Commission's consulting engineering division.

The "sandwich": The factory-made curtain wall panel is simple in design and fabrication. Here's what The Post saw workmen doing recently in the big plant.

1. Set out, flat on the floor, greased wood and steel "forms" or molds and in these forms (6 inches deep, in area varying from 100 to over 250 sq. ft., and with door or window openings provided in some) fix a flat mat of steel wire mesh reinforcement about an inch from the bottom, then pour in two inches of concrete and "vacuum process" the wet mix, i.e., with suction hose-connected vacuum mats draw out excess moisture and air pockets to speed hardening, increase density and early strength.

2. At once lay on, tight together, two-in. thick, 12 by 18-in. "tablets" of solidified glass foam containing a mass of sealed-in air cells hundreds to the square inch, lighter than cork and looking like coke. (It's "Foamglas," a relative newcomer among top trade names in insulation, made by Pittsburgh Corning Corp.)

3. Repeat the reinforcement, pouring and processing operations of No. 1.

Result: a thin (6in.) but strong three-ply self-insulating curtain wall ready within 24 hours to stack for later truck or rail haul to the building site.

Subplant in B.C.

In some cases—as in British Columbia—C & A is making the panels in a subplant on or near a big job. Sometimes they're cast against canvas for an attractive "mat" finish inside and out, ready to paint or leave alone as a finished wall.

Again, they can be made to include glass block sections assembled on the flat and cast in with the panel. This glass block assembly method also is new; is claimed to halve the labor cost of laying the blocks vertically as in the ordinary masonry method, and to achieve truer lines and a stronger "set" as well.

For housebuilding, it's seen offering important possibilities in cost-cutting and quick building. Says Murray: "When we complete further design development now being pushed, we may bring it into housing in a big way." That move probably would bring a standardized and mass production operation, as against the present custom order and contract basis.

On some of its orders, Creaghan & Archibald has erected the panels on the building job, as well as making them. With acceptance increasing rapidly, however, C & A sees itself concentrating more in future on the manufacturing operation, selling to the building contractor or owner as do steel and brick makers.

Finished panels weighing from less than one and up to five tons are handled in the plant by overhead traveling crane, loaded from assembly line or stock onto trucks or railway cars, can be economically shipped up to 400 miles. On the building job, mobile cranes unload them and 5-men crews set them in place as walls. They're locked to the skeleton frame with tie-bolts and recessed locknuts on oversize washers. Horizontal joints are sealed with concrete mortar; vertical joints with a plastic stripping of asphalt mastic.

Not only can the panels be ranged end-to-end for a lengthy wall and edge-to-end for a corner; they can also be placed one on top of another to "curtain" upper stories.

Says Pittsburgh Corning: "No reason is shown why almost any

(Continued on page 14)

Here is second step in the factory-made "sandwich" panel wall. After the form is nailed together, workmen pour the first concrete on the steel mesh reinforcement. Concrete is then given "vacuum treatment," suction process to speed setting, make it lighter, stronger. Foamed glass "filling" is laid on, then final layer of concrete. In few hours, panel will be ready to ship to building site.

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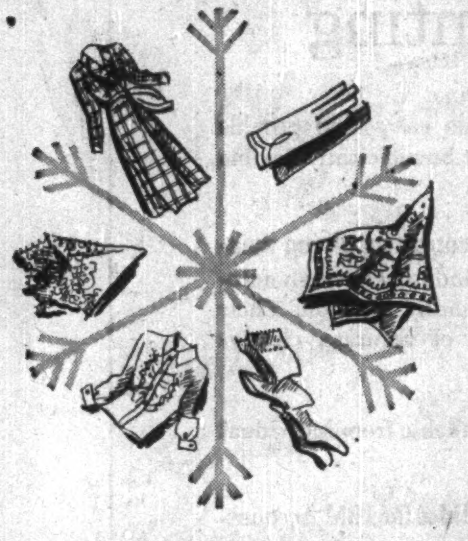

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Alberta May Establish Partial County System

From Our Own Correspondent

EDMONTON—At a caucus of Social Credit M.L.A.'s, recently, a proposal was adopted to establish a "county system" for local government within Alberta municipalities, similar to one in operation in parts of Ontario. Under the scheme, one council would handle the affairs of the school and hospital boards in addition to municipality administration.

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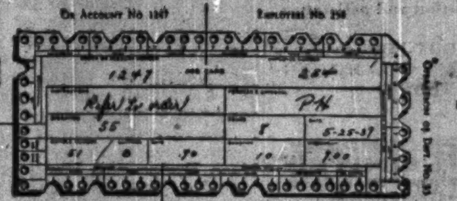

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Six Honored By Engineers

"For achievement in the development of Canada," Geoffrey A. Gaherty and James A. McCrory last week were named by the council of the Engineering Institute of Canada to receive the EIC's Julian C. Smith medals.

Electric utility engineer, Mr. Gaherty is president and a director of Montreal Engineering, Calgary Power, Ottawa Valley Power, Calgary Water Power, Calgary Investments, Maritime Electric, and a director of Demerara Electric. As chairman of EIC's committee on prairie water problems, "he has made an outstanding contribution to the progress of Western Canada in irrigation and power development."

McCrory, president of Shawinigan Water & Power's Shawinigan Engineering, Montreal, was born in Pittsburgh, came to Canada in 1910, has been with Shawinigan since 1916 "where he has had a significant part in development of St. Maurice River hydro-electric resources."

Council of the Engineering Institute at the same time honored an American woman management engineer, Britain's inventor of the jet engine and two Canadians by electing them to honorary membership. They are John B. Challies, Montreal, Shawinigan Water & Power's, vice-president and executive engineer; Dr. Lillian M. Gilbreth, Montclair, N.J., consulting management engineer; Sir Frank Whittle; Clarence R. Young, former dean of applied science and engineering, University of Toronto.

Keener Competition Brings Rise In Canadian Business Failures

Commercial failures in Canada during the first nine months of the year reached the highest level since 1941, totaling 739 compared with 606 for the corresponding 1948 period, 772 in 1941. A continuous decline was shown from 1941 to 1946 when the low point of 177 was reached, and subsequently the trend has been upward.

Growing competition is blamed for forcing out of business many firms which commenced operations during the postwar period with limited financial reserves, insufficient experience and ability, or both.

An increase of 34% in liabilities of defaulting firms during the first nine months as compared with a year ago compares with a rise of only 22% in number of failures. The average amount of liabilities per failure is also considerably greater than prewar, reflecting the larger capital investment now required to operate a business.

The following table shows number of failures and total liabilities in the first nine months of representative years since 1925:

Commercial Failures in Canada

First 9 mos.	Number	Liabilities ($000)
1925	1,513	24,361
1930	1,725	36,648
1935	980	12,976
1940	907	8,644
1945	202	2,483
1948	606	11,264
1949	739	15,144

Failures in all branches of industry were higher during the first nine months of the year than during the corresponding period of 1948. The greatest percentage rise was shown in finance. Numerically, trade was in the lead with 265 failures compared with 207. Manufactures advanced from 142 to 155 and service establishments from 111 to 140.

Failures in various branches of industry during the first nine months of 1948 and 1949 follow:

Number of Failures in First Nine Months

	1948	1949	% up over '48
Trade	207	265	28.0
Manufactures	142	155	9.2
Service	111	140	26.1
Primary industry	11	15	36.4
Construction	56	64	14.3
Transportation & public utility	24	30	25.0
Finance	4	16	300.0
Other	51	54	5.9
Total	606	739	21.9

Marketing of Alberta Crude Is Big Problem

Canada's oil reserves will probably have increased to two billion barrels by early in 1951, Dr. O. B. Hopkins, vice-president of Imperial Oil stated recently. When definite plans for the pipeline from Edmonton to lakehead were formulated last spring, Alberta reserves were estimated at one billion barrels.

An adequate outlet for Alberta crude is likely to be a continuing problem because of the increasing volume of oil and the great distance to markets.

"This problem would be partially solved if the United States considers it desirable to import oil and Canada considers it in the national interest to export some of her crude to the U. S.," Dr. Hopkins said. Such exports could be regarded as a means of payment, with Canadian oil in lieu of U. S. dollars, for oil we import at refining centres remote from producing fields in the west. Other pipelines will probably have to be built to provide markets for the ever-increasing flow of Alberta's wells.

Competitive oil from Illinois and Oklahoma can be laid down in Sarnia for $3.53 a barrel. Rail freight alone from Edmonton to Sarnia would run about $3.25 a barrel. Cost of transporting a barrel of crude by pipeline, however, will be less than a third of the rail cost.

While Alberta now is able to produce about 125,000 barrels of oil a day from existing wells, actual production has been limited by the economically accessible market to 60,000 to 65,000 barrels. Even on this restricted basis Alberta's oil production in 1949 is estimated to be worth about $56 million at well head, almost half the value of Canada's entire gold production last year, Mr. Hopkins said.

Use Concrete and Glass In New Building Panels

(Continued from page 13)

'metallic' veneer couldn't be used on either face. By using a coarse production finish on the outer surface, any form, texture or color could be added directly to the panel after it's up. Through the vacuum process and through machine troweling the panels on the flat, extremely dense outside surfaces also can be obtained, with great improvement of weathering characteristics over concrete surfaces in common use."

The sandwich isn't designed as a load-bearing wall for larger structures. About half the thickness of ordinary masonry, it bears only its weight or is hung on the skeleton for curtain closure. But it could, and may be redesigned as a load-bearing wall for housing, engineers close to the development tell The Post.

Hydro Large User

Creaghan & Archibald sales to date top 250,000 sq. ft. of panel and use in United States is reaching toward Canadian volume.

Some of the customers have big appetites. Currently, largest users in Canada are (a) Celanese of America's Columbia Cellulose Co., and (b) Ontario Hydro-Electric Power Commission.

Columbia Cellulose, in several departments of its huge $25.4 million pulp mill under construction near Prince Rupert to plans by Montreal Engineers Stadler, Hurter & Co., is installing wall and roof panels from a special C & A subplant near the building site.

Celanese of America, in a recent statement on its Columbia Cellulose project, said of the C & A panel: "This novel assembly, less than half as thick as the conventional masonry wall, overcomes operating problems in manufacturing sections where high humidity is a factor. In such use it requires a minimum of maintenance."

Ontario Hydro has taken a big slice of the Toronto plant's production. This is for two buildings, each partly 2 stories—stores unit, 125 by 600 ft., and garage 125 by 285 ft.—in a huge new service centre under construction at Islington, near Toronto. Panels for Hydro are the largest yet made.

First important applications were in Quebec province.

In Trois Rivieres and with an important assist from Architect Ernest Denoncourt a 15,000 sq. ft. one-story wholesale warehouse and retail sales centre was erected, plus a two-story office section. This building is entirely enclosed by 5-in. thick glass-concrete panels which then were made on the job by, and erected by Murray Associates Ltd. An important installation was made by Creaghan & Archibald for Canadian Industries Ltd., in Shawinigan Falls.

Understood to be in late planning stages are several projects in Canada and United States for possible further extensive use of the product. It is set out as a specified alternative for a U. S. paper mill, and in plans of New York engineers Ford, Bacon & Davis for an industrial steam-electric power plant at Marietta, Ohio, proposed by a subsidiary of Union Carbide & Carbon Corp. The panel was used extensively last winter in building a new plant at East Rochester, N.H., for Cocheco Manufacturing Co.

What are the claims, now that the panels are appearing in big-scale construction on both sides of the border? Here are some of the main ones.

It's asserted that four top qualities are (a) relative cheapness, (b) high insulating value, (c) lightness, and (d) thinness, and that these four qualities offer four major economies, i.e., in costs of foundation and skeleton frame, erection time, costs of handling, and space saving.

"Final installed cost of the panels at under $2 a sq. ft. of outside surface is lower than comparable construction," is the claim for the Trois Rivieres panel job. Adds Murray: "Prices now being quoted on custom order or contract are well below anything that is equal in function."

From records of the Cocheco job and other investigations, Pittsburgh Corning comes up with the finding: "In general, the saving over conventional masonry will amount to at least $1 a sq. ft."

What about insulating value?

Pittsburgh Corning says of the Cocheco job: "The panel wall has an insulation value several times that of the brick wall sections it superseded.

"Although the walls are only half as thick as the usual alternative, they've more than twice the insulating value.

It's emphasized the panel is also water and vapor-proof, highly fire resistant, relatively impervious to weather. Sponsors say: "Moisture migration through concrete has been a tough problem. The panel licks it in building walls. Its insulating core assures dry walls inside and out at all times even under severest conditions."

And lightness?

Weight of the panel is up to one third of the typical masonry wall, being from 35 to 50 pounds a sq. ft., depending on concrete materials and reinforcement used and on design thickness.

As a lightweight wall, it can be borne by lighter, cheaper foundation and framing "without loss of structural strength."

In turn there are "substantial savings" in construction time, materials, labor and handling for the whole building. As much as 3,000 sq. ft. of the panel a day has been erected by a five-man crew, hoist and operator. That would be the equivalent of 12 panels each 250 sq. ft., or about 12 by 20 ft.

In dirty weather an additional saving of construction time is claimed.

Cocheco, to get its building enclosed before winter, substituted 6-in. glass-concrete panels for some wall parts designed earlier in brick. Here, and on the Canadian jobs, as much as one or two month's construction time was saved.

Thinness of the wall obviously means some space saving inside the building. How much? And what's it worth?

Its use, say experts "should increase usable floor area about 72 sq. in. per lineal foot of building perimeter. In some commercial buildings this added space might provide additional income up to $2 a square foot per year."

Lightness and compactness also are important factors in low costs of shipping and handling.

Incidentally, the panels can be taken down undamaged and reused for building alteration or expansion.

In many cases they need no additional finish inside or out (though they will take many kinds), thus saving on both original and maintenance costs.

The basic concept of this glass-insulated concrete panel didn't spring full-blown from the Murray brain. It started in the thoughts of many architects and engineers over 20 years ago when they acknowledged the need for a simple and inexpensive curtain wall for multistory commercial and industrial buildings.

It changed its course on drafting boards of topnotch designers and in reports from government bureaus, jelled into practical forms under the critical supervision of progressive materials producers, prophetic architects, enterprising contractors and cost-conscious building owners.

But the glass-insulated concrete panel itself is Canadian.

J. H. ASHDOWN HARDWARE CO.: An additional 4,849 class A shares have been converted into class B, reducing number of class A outstanding to 127,322 and increasing class B to 246,195 shares.

Style leadership applies to every Forsyth product

In shirts, pajamas, ties and shorts,
One thing remains the same:—
They lead in Style and Quality,
If they bear the Forsyth name.

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Whatever item of men's wear you choose you'll find in it so much style, craftsmanship and comfort that you'll always be proud to wear a Forsyth. Fine tailoring, skilled cutting, advanced patterns and designs, soft, color-fast and shrink-tested fabrics ...these are the features of Forsyth Style Leadership you'll appreciate every day of wear.

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The "Men's Wear" Oscar was awarded to John Forsyth Limited by Men's Wear dealers all over Canada for "the best creative styling job in the men's furnishing field".

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JOHN FORSYTH LIMITED, Kitchener, Ontario

The Canadian Forsyth Shirt

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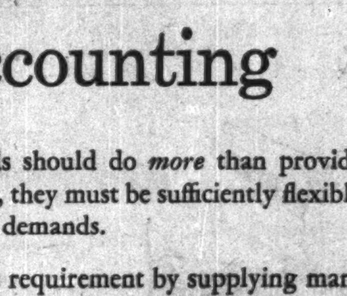

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To the Man with a Woman in his life!

. . . and so our message is to *you* and *you* and *YOU*—the usual reminder that Christmas is on its merry way and a warning not to leave your gift-buying until the first reindeer looms in sight!

This year—more than ever—we're sure you'll find, at Evangeline, just what you want in the way of feminine fluff and practical pretties to lay at the feet of the-lady-of-your-choice.

As to gift-wrapping? Well do we know it's a deadly task for a man but a fun-job to us. We'll fix and fasten your parcels with pretty wrappings, seals and bows for, truly, we want *you* and *your gift* to make a real hit with the "femme fatale" on Christmas Day!

So drop in to see us—and soon. We'll greet you with friendliness and welcome and appreciate the opportunity to serve you—helpfully. Yes, sir — the latch-string is out at Evangeline—the shop for women and *for men who shop for women.* And that means *you!*

Evangeline

- 113 Yonge at Adelaide
- 751 Yonge at Bloor
- 1458 Yonge at St. Clair
- 3414 Yonge at City Limits
- 444 Eglinton W. at Castleknock
- 656 Danforth at Pape
- 62A Bloor at Bay

OTTAWA • BROCKVILLE • LONDON • HAMILTON • GUELPH • ST. CATHARINES

TOWNSHIP OF BARTON, Ont. new issue of $35,000 3½% serial debentures due 1950 to 1964 has been sold by tender to Wood, Gundy & Co. at a cost of 3.58% to the township. The 1950-59 maturities are being offered to yield 3.25% and the 1960-64 maturities to yield 3.50%. Proceeds will be applied towards the cost of erecting the community hall.

A P-M JOB IS A SIGN OF SUCCESS

"fresh up" with 7up
You like it— it likes you!
SALES

FRESH UP YOUR SALES WITH P-M ENAMEL SIGNS

Watch 'em grow—your sales, that is—when you've got bright new P-M signs doing a selling job for your product! Those eye-catching P-M colors are "sealed in" permanently . . . *can't fade* . . . last from 20 to 25 years *longer* than ordinary signs. Count on sunny-bright P-M signs to give folks an eyeful of your sales-story . . . and keep your customer-approach as fresh as the "fresh-up" itself!

Have a talk soon with your P-M man. He's after new business, too!

P AND M

PORCELAIN AND METAL PRODUCTS LIMITED
ORILLIA - CANADA

Maurice G. Creswick, EL. 2317, 188 York St., Toronto; G. L. McCrae, MA. 2623, 1411 Crescent St., Montreal; Douglas M. Smith, PA. 9627, 543 Granville St., Vancouver; R. H. Paterson, 3-3846, Prince William St., Saint John, N.B.

What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Doll's Furniture

Miniature aluminum furniture scaled to the exact proportions of real furniture — one inch equals one foot—has been designed by Toronto firm. Aluminum extrusions are cut to desired length to form individual pieces of furniture. Anodising and coloring can be done either before or after cutting.

• • •

Novel Ash Tray

Tiny portable aluminum ash tray which clips over cigarette was designed by Vancouver inventor to prevent ash from dropping on clothes or furniture. Length 2½ inches; weight 1/16th. of an ounce. When cigarette burns down to the clip it goes out automatically.

• • •

"Picture-In-A-Minute"

"Picture-in-a-minute" Polaroid Land camera now available in Canada. Has appearance of conventional bellows-type camera but has revolutionary feature—sixty seconds after shutter has been snapped, a semi-gloss, deckle-edge print is ready for removal from rear of camera. Combination of precision-built camera, fast film, great depth of focus and accurate shutter result in prints of lasting quality, makers state. Also state that sharp, clear pictures can be taken any time from dawn to dusk at relatively small lens apertures from f/11 to f/45. Camera can also be operated with filters, flash guns and used to take time exposures, it is said.

• • •

Pocket Heater

Novel pocket heater from Germany being distributed by New York firm keeps hands warm at outdoor sports. Is described as absolutely safe. Uses no liquids. Heat is made from special fuel sticks. Said to stay warm for three hours.

• • •

Warp-Resistant Doors

Warp-resistant cupboard door with plywood facings of three-ply hardwood bonded to a rim of low density wood, which is relatively inert and less subject to warp and twist, has been produced by Wisconsin firm. Problems of bonding high and low density woods together are solved by use of Bakelite BCU-22 urea liquid resin glue. Ribs between the facings prevent them from sinking away from a level plane, and interior ventilation keeps the inside dry and all parts at same temperature cite the makers. Door will not warp and will stay flat under any normal condition it is claimed.

• • •

Large Griddle

"Kitch-N-Kamp" griddle covers two burners on top of any stove and will cook twice as much food as ordinary frying pan Cleveland maker states. Only one minute of preheating required to make the 10¼ by 16 in. griddle operate with maximum efficiency, it is stated. Rib-reinforced, therefore does not warp when heat applied. Requires very little heat due to the heat transfer qualities of cast aluminum — heat said to travel rapidly throughout entire surface and spread evenly between both burners.

• • •

Pocket Stapler

Pocket-sized, rubber-based stapling machine called the "Pacemaker" is recommended by New York maker for offices, traveling businessmen and for window trimmers and store decorators. For display work, transforms into a tacker with flick of the wrist. Holds 100 staples; weight ½ lb.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

• • •

Caulking Tape

"Arno-Tape" is caulking-type material for weather-tighting pre-fab houses and other new construction. Is a special pile fabric heavily impregnated with amber color moisture-proof compound containing inhibitors against mildew, rot, termites and other insects. Said to be clean-handling, self-sealing and a labor-saver. Comes in 100 ft. rolls, one to three inches wide. Resistant to aging or drying out, tight-sealing properties are not affected by temperature changes and structural vibrations, New York maker states. Said to have a water-vapor barrier factor and to provide long-lasting protection against water, moisture, wind and cold air from outside, and against interior heat losses.

• • •

Automatic Dispenser

"Lowerator" dispenser is a new self-levelling automatic merchandising dispenser which is a storage and automatic merchandising unit combined. Said to increase self-service sales in retail outlets. Keeps merchandise at a convenient, self-service height, whether unit is full, half-full or nearly empty. New York maker states. Activated by simple, calibrated springs, dispenser's platform rises or lowers automatically as merchandise is removed from or placed upon it. Said to be quiet, in action, has no motor and requires no maintenance.

• • •

Traffic Marker

"Dur-O-Line" traffic markers, discs molded of Tenite plastic, can be applied to either asphalt or concrete surfaces with greater facility and at less cost than paint, and have greater permanence, Oregon makers claim. Discs are 4½ inches in diameter and come in white or bright yellow. Installed at regular intervals to street surfaces they are said to be readily visible in all weather. Color cannot wear off or chip and tire marks are easily cleaned from the plastic. Applied by means of special adhesive and metal pins. Shipping weight 150 lb. per 100 markers.

• • •

Fruit Vending Machine

Automatic refrigerated fruit vending machine announced by Los Angeles company, dispenses fruit chilled to proper controlled temperature. Unit is 6 ft. tall, 45 in. wide and 24 in. deep; features a frost-free picture window. Will hold 208 pieces of fruit—apples, oranges, peaches, pears, or even grapes and cherries, in air-tight containers.

Rust Inhibitor

"Santolene C," new rust inhibitor for light oil products in pipe line and static storage, is a hydrocarbon-soluble, water-insoluble, non-metallic organic material. Is sufficiently effective at a dosage of 0.002% by weight, or 0.75 gallon per 1,000 barrels, when tested against distilled water, cite makers; concentrations up to 0.01% may be necessary against sea water.

• • •

Acetate Cement

New liquid cement for bonding cellulose acetate objects is offered by New York company. Said to be safer than highly inflammable acetone. Is far less volatile than acetone, does not require a fire department permit, and can be stored safely in unlimited quantities, makers state. Said to evaporate slowly enough to prevent blushing, and to insure good penetration and an excellent bond. Is described as water-white, free-flowing and non-toxic.

• • •

Steel Bridgings

Steel bridgings for floor and ceiling joists have been developed by Pittsburgh firm to take place of conventional type 2-in. x 2-in. wood bridging which is usually fastened in place with eight nails. Only one stock size required for standard joists from 2-in. x 6-in. to 2-in. x 12-in. on 16-in. centres, and this steel bridging requires only two nails for each joist space, makers state. Manufacturing rights for Ontario and Quebec acquired by Canadian firm.

• • •

Fluorescent Lamps

Two new fluorescent lamps expected to be available in Canada early in 1950. Made possible by development of a special fluorescent powder designated the "DR" phosphor, the lamps are said to bring out full beauty of all colors and to be complimentary to complexions.

• • •

Measuring Radiation

"Heat-O-Meter," new calculating device for measuring radiation on steam and hot water heating systems, is said to eliminate tedious figuring usually necessary to determine correct amount of radiation. Can be used by anyone without previous technical training since operation does not involve subtraction, division, multiplication or use of a formula, New York maker states. Answer obtained by simple turning of a dial. Dial contains radiator sizes and capacities, sizes of mains, returns, and risers, round and square chimney sizes and capacities with maximum and minimum heights, as well as other information of use to all individuals who come in contact with heating problems.

You Can Walk Upright In These Water Pipes

Montreal's new $3.2 million water intake, in suburban Ville La Salle, is in early stages of construction by Atlas Construction Co., general contractor. About 70% of the excavation for the gatehouse, situated between the end of the intake pipes from the river and the aqueduct, has been completed.

This new piping system will provide an increase in the pumping capacity of the Atwater pumping station, to supply Montreal with 30 million more gallons of badly needed water daily. The present water consumption figure on the average, is about 167 million gallons daily. During the summer this figure rises to about 180 million gallons. At peak loads, this amount increases to about 185 million gallons. Therefore, the need during a long hot summer is acute, as was illustrated during the past summer when 180 million gallons were used daily, on the average, and in the June heat wave, 187 million gallons were used in one day.

Man-high Pipes

Pipes will be of reinforced concrete, 2,000 ft. long, 7 ft. diameter inside. A concrete slab has been laid in the river bed and the pipes will rest on that platform. Then a protecting coat of concrete, as a shell, will be placed over all four pipes.

It is expected that it will take two to three years to complete the job. Stiff river current of about six knots at this point is a contributing factor to the length of time required. The new type reinforced concrete intake piping has been constructed for the job on the Montreal Department of Works own property at the Atwater St. end of the aqueduct. Ten thousand feet of this piping, seven feet in inside diameter, eight feet outside, has been manufactured of a new pre-stressed concrete with reinforcing steel under tension. Thus a smaller thickness of concrete has been used at a great saving of money.

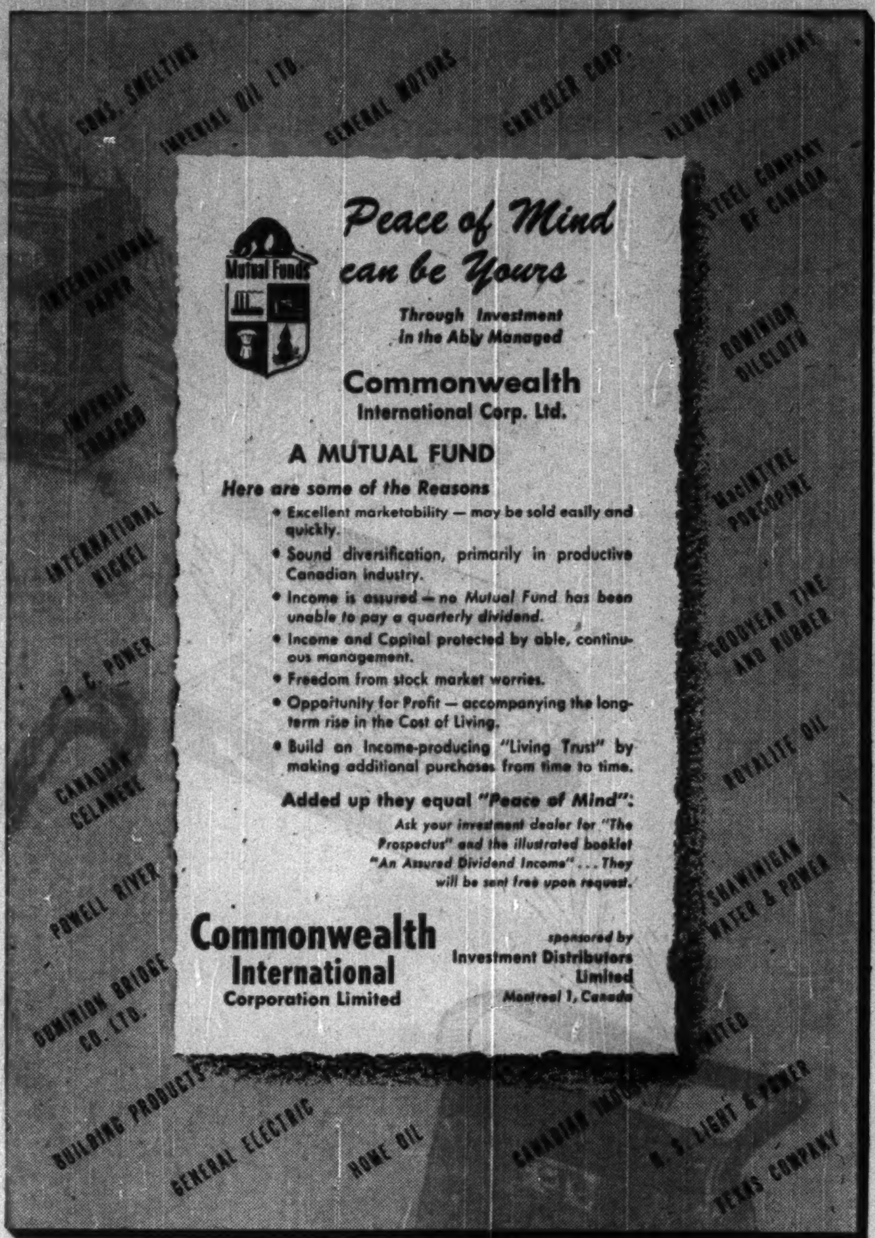
Gatehouse a Feature

The filtration plant is at the foot of Atwater St., in the City of Montreal, while the intake end of the aqueduct is at Ville La Salle, five miles to the west.

The gatehouse which is now beginning to take form at the end of the aqueduct, will have several flushing chambers and a large valve to control the flow of water into the aqueduct, which will go on to the Atwater St. pumping station to supply the City of Montreal. It will be equipped with sluice gates and a sump pump. The walls of the flushing chambers are all in and work is under way on the walls of the gatehouse proper, so this will probably be the first unit to be completed.

The four new intake pipes, laid side by side, will extend about 2,000 ft. into the St. Lawrence River. They will draw St. Lawrence River water only, no Ottawa River water. Here, according to chemists of the Department of Public Works, the water is much purer than that drawn from the two old pipes which were much closer to the shore, one actually being located on the shore.

CITY OF OTTAWA, Ont. new issue of $2,242,300 2%, 2½%, 2¾% and 3¼% serial debentures due Jan. 1, 1950 to 1969 has been sold to a syndicate composed of R. A. Daly Co., Bank of Nova Scotia, Anderson & Co., Cochran Murray & Co., Midland Securities Ltd. and Fleming & Co. Price was $101.412. This is the first issue of City of Ottawa debentures to be sold since March 1949 when the city sold an issue of $6,300,000.



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Added up they equal *"Peace of Mind"*:

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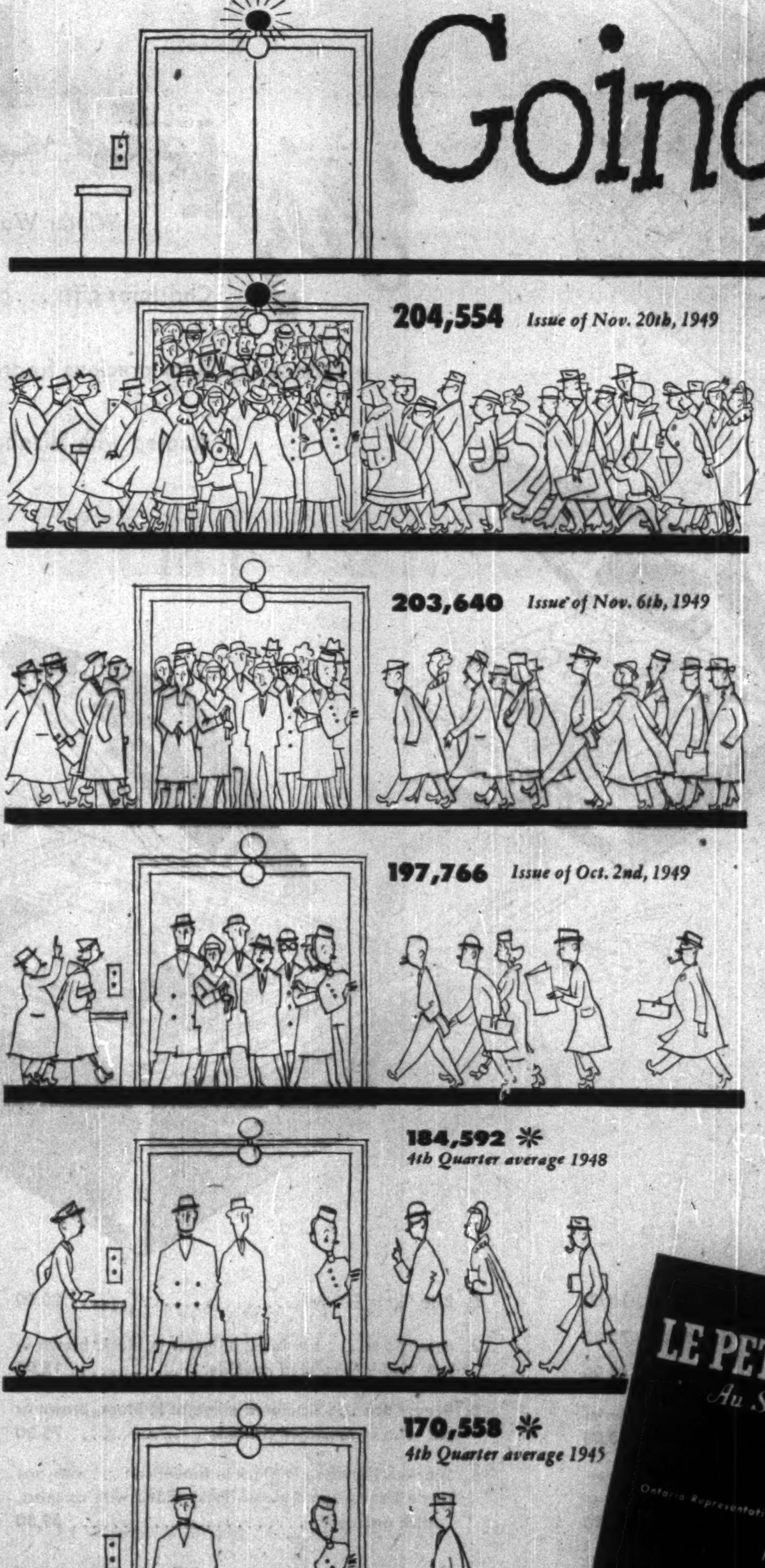
Going Up!!
204,554 Issue of Nov. 20th, 1949
203,640 Issue of Nov. 6th, 1949
197,766 Issue of Oct. 2nd, 1949
184,592 * 4th Quarter average 1948
170,558 * 4th Quarter average 1945

LE PETIT JOURNAL circulation is going up fast! **LPJ** is the fastest-growing French-language week-end paper in Canada.

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* **LPJ's** growth has been sure and steady. ABC 4th Quarter figures show **LPJ** increased 14,034 in circulation from 1945 to 1948 — a comparative *gain* of 13,067 over the nearest other paper in the same period.

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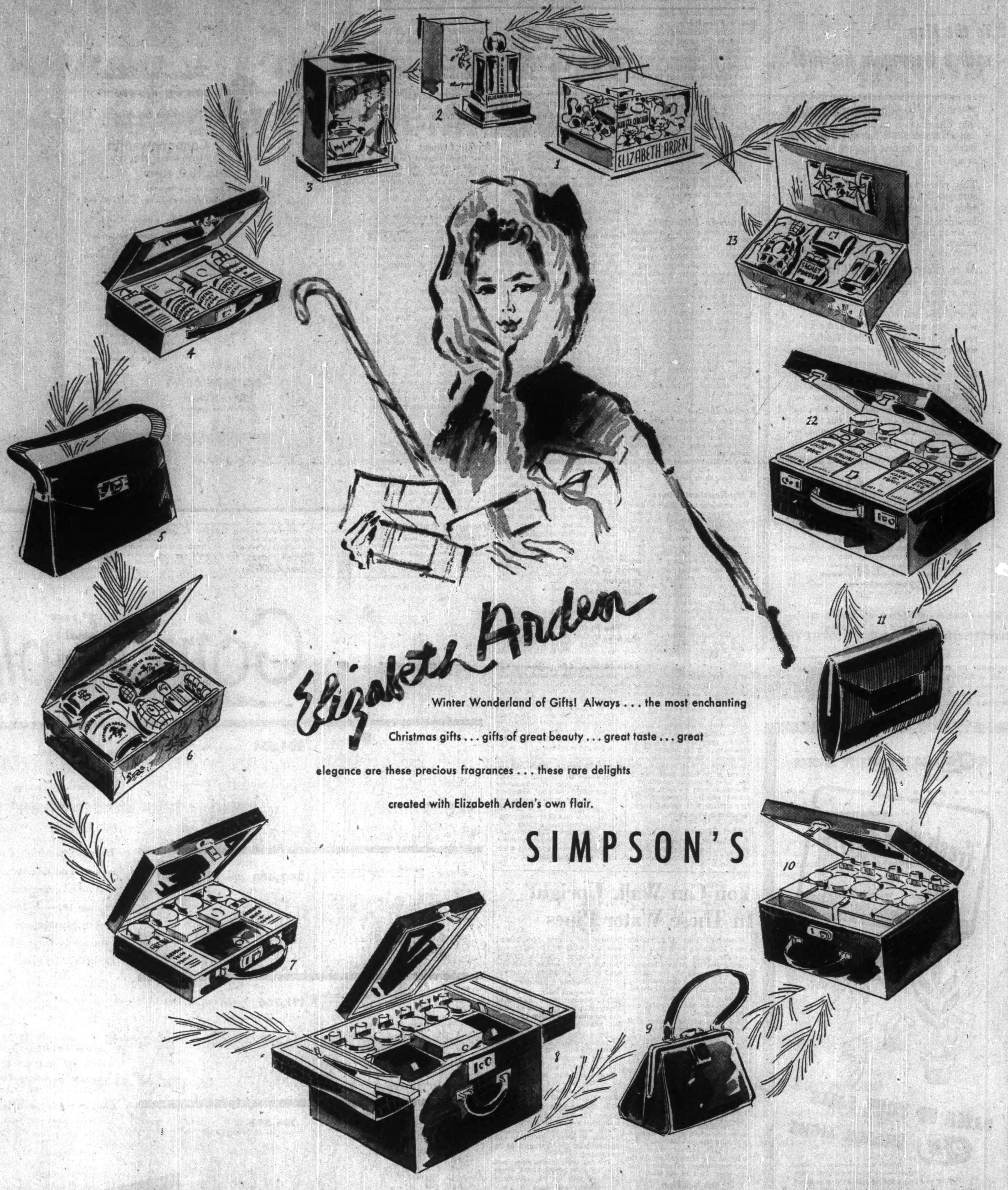


Elizabeth Arden

Winter Wonderland of Gifts! Always . . . the most enchanting Christmas gifts . . . gifts of great beauty . . . great taste . . . great elegance are these precious fragrances . . . these rare delights created with Elizabeth Arden's own flair.

SIMPSON'S

1. Provocative White Orchid Perfume	15.00
2. Breath-of-Spring in Blue Grass Perfume,	5.50 to 72.00
3. Paris-Inspired My Love Perfume	15.00 and 40.00
4. Beauty Box . . . simulated alligator in black, brown or red	10.00
5. Dress Handbag in black faille . . . shirred flap, over-arm single handle, gold-plated lock, fitted with compact, lipstick and comb	75.00
6. Blue Grass Gift Set	25.00
7. Beauty Box . . . simulated alligator in black, brown or red, also in simulated rawhide	15.00
8. Beauty Box . . . simulated alligator in black, brown or red, also in simulated rawhide	75.00
9. Spacious Handbag in black or brown calf . . . over-arm single handle, gold-plated lock. Fitted with compact, lipstick and comb	39.50
10. Week-end Beauty Box . . . simulated alligator in black, brown or red, also in simulated rawhide	25.00
11. Evening Cocktail Envelope Bag in black faille or satin . . . outside pocket fitted with compact, lipstick and comb	35.00
12. Beauty Box . . . simulated alligator in black, brown or red, also in simulated rawhide	37.50
13. Blue Grass Gift Set	30.00

Elizabeth Arden's Christmas selection of accessorized daytime and evening bags also include such engaging gifts as the "Ballerina" in red or black velvet; the classic "Four O'Clock" bag in black, brown or navy lizard; dress bag in red faille; the little evening and cocktail bag in black, red, green satin or brown faille. Prices range from $20 to $55.

PHONE TRINITY 8111 OR WRITE SIMPSON'S SHOPPING SERVICE, TORONTO

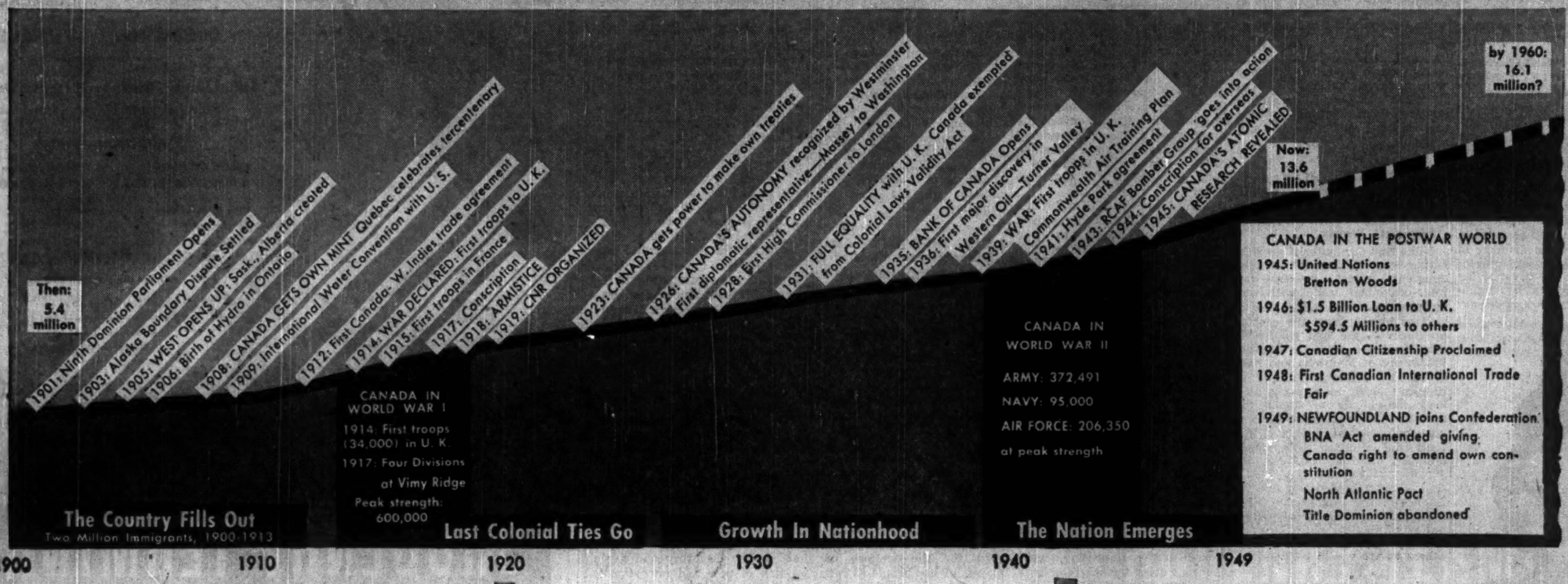
ELIZABETH ARDEN COUNTER—SIMPSON'S STREET FLOOR

The Financial Post

Vol. XLIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, December 17, 1949 | Fifteen Cents an Issue, Five Dollars a Year | No. 51

Canada's Proud 50 Years Of Progress

THE MARCH TO NATIONHOOD: How the Half Century Has Seen Canada Grow From 5 Million to 13.5 Million Population: Significant Dates in National Development



CANADA IN THE POSTWAR WORLD

1945: United Nations
Bretton Woods
1946: $1.5 Billion Loan to U. K.
$594.5 Millions to others
1947: Canadian Citizenship Proclaimed
1948: First Canadian International Trade Fair
1949: NEWFOUNDLAND joins Confederation
BNA Act amended giving Canada right to amend own constitution
North Atlantic Pact
Title Dominion abandoned

HOW THE PROVINCES HAVE GROWN

In 50 years, Canada's population has increased 155%. In the same time, growth of the United States has been 95%, that of the United Kingdom 34%.

Now

	(thousands)	up—%		(thousands)	up—%
Alberta	871	1,093	Ont.	4,411	102
Sask.	861	843	Nfld.	348	59
B. C.	1,114	524	N. B.	516	56
Man.	778	205	N. S.	645	40
Que.	3,887	136	P. E. I.	90	down 13

The twentieth century, promised Laurier, will be Canada's. Time was to prove he wasn't far wrong. Look back today over the first half of this century with pride in Canada's achievements. Though wars and depression came, we have come far. From colony to a leader among nations. From hewers of wood to impressive industrial producers. From many small beginnings to a future pregnant with promise . . .

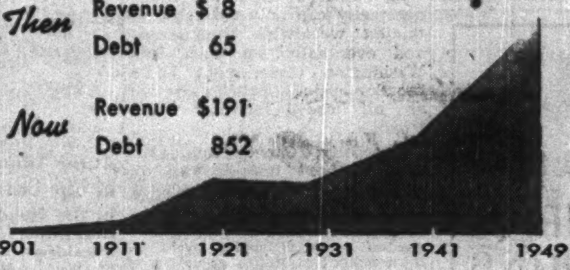
The Post here presents the dramatic story. Here are the highlights of our then and now; how out of the rich heritage that came to our forefathers, this nation has been carved. The industries we've built. The immense resources we've developed. Where we stand in the world today. The leadership we've achieved. Our wealth. What our people do. Our standard of living. Why the future holds such rich promise . . .

Here is Canada at the midcentury.

FEDERAL REVENUE

This is what the Federal Government takes in, almost all of it taxes. In the half century, the increase has been over 6,000%.

	Per Person	
Then	Revenue	$ 8
	Debt	65
Now	Revenue	$191
	Debt	852



Debt	355	475	2,902	2,610	5,019	11,496

$ millions

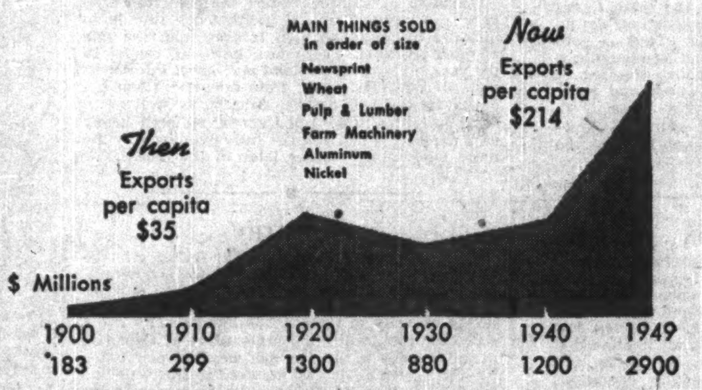
HOW THE CITIES HAVE GROWN

Some were not even incorporated at the start of the century. Remarkable is the growth of Western cities. Where they counted population in thousands then, they're up into the hundreds of thousands. Here's the line-up:

	1901	1941	*Now*
Montreal	325,652	903,007	1,122,295
Toronto	218,504	667,457	695,302
Vancouver	29,432	275,353	354,150
Winnipeg	42,340	221,960	234,201
Quebec	68,840	150,757	194,639
Hamilton	52,634	166,337	179,328
Ottawa	64,226	154,951	164,266
Edmonton	4,176	93,871	118,541
Windsor, Ont.	15,198	105,311	118,533
Calgary	4,392	88,904	107,000
Halifax	40,832	70,488	100,000
London, Ont.	37,976	78,264	86,042
Verdun, Que.	1,898	67,349	76,000
Victoria	20,919	44,068	61,400
Regina	2,249	58,245	60,246
Saint John, N.B.	40,711	51,741	55,000
Saskatoon	113	43,027	46,028

THE EXPORT TRADE

Canada's prosperity depends on the success we have in selling abroad.



Our chief customers (in $ millions): U.S. 1,500; U.K. 700; India & Pakistan 127; S. Africa 85; Belgium 58; France 40.

PROVINCIAL REVENUE

This means more taxes. The ten provinces now take in over $500 millions a year, or about $37 for each Canadian. Municipal government revenues take another $450 millions or an additional $33 per person.

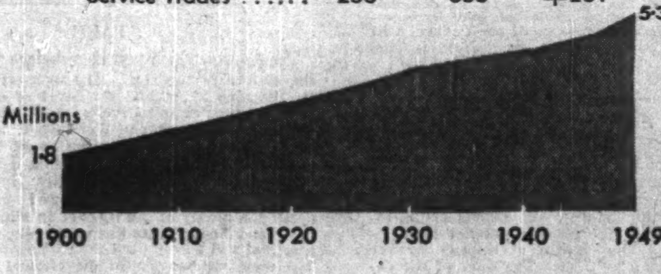
	Then *	*Now* *		*Then* *	*Now* *
	— $ millions —				
B. C.	10	67	Que.	8	195
Alta.	3	64	N. B.	1	27
Sask.	3	53	N. S.	2	34
Man.	5	33	P. E. I.	½	5
Ont.	10	192	Nfld.		41

*Then in this case 1911. Now 1948.

WHAT PEOPLE WORK AT

Canada's working force has increased 195% to 5,253,000.

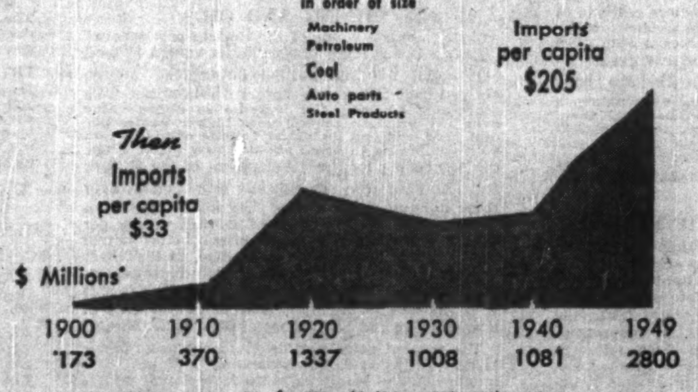
	Then (thousands)	*Now* (thousands)	% Change
Agriculture	717	1,123	+57
Manufacturing	299	1,315	+340
Forests	16	57	+256
Trade, Finance	99	789	+697
Service Trades	236	853	+261



Canada's working force

THE IMPORT TRADE

To sell abroad, we have to buy abroad and some things we need to buy outside our borders.



Our chief suppliers (in $ millions): U.S. 2,000; U.K. 333; Venezuela 91; Australia 28; India & Pakistan 26.

The Financial Post

CANADA HAS GROWN UP

At the start of the century we were a rural nation engaged mainly in primary industries; farms, forests, fisheries, furs, mines. Now, as a more highly-developed country, most of our people work in secondary industry, manufacturing, selling, transportation, offices, professions, etc.:

Then		*Now*	
Primary 50.5%	Secondary 49.5%	Primary 27%	Secondary 73%
780,000	765,000	1,387,000	3,768,000

More of our exports are now manufactured instead of being sold as raw materials:

Raw Materials	Finished	Raw Materials	Finished
41.5%	58.5%	23%	77%

Continued on page 19

How Does Canada's Progress Strike You?

The Question: What do you like best and like least of Canada's developments of the past half-century?

Canada's succession of able prime ministers, her increasing voice in world affairs, growing industrial stature, ability to hold her own in war, deepening consciousness of Canadian nationality and emergence of nationhood, great regard for the welfare of the masses as exemplified in health and social services — these and other replies to this week's Financial Post question point to the strong sense of pride Canadians have in the accomplishments of their country.

Least liked, however, are the too easy acceptance of United States standards, inability of so many to think beyond provincial boundaries, failure to make a reasonable measure of progress in the free flow of goods and services between Canada and U. S. and other countries.

DR. HARVEY AGNEW, Executive Secretary, Canadian Hospital Society, Toronto.

One likes best Canada's rise to full nationhood; her ready acceptance of varied racial and religious backgrounds; her comparatively advanced social and health legislation; her ready acceptance of her responsibility in the two world wars; the honesty of her political life; the legal recognition of women as persons.

One likes least the inability of so many to think beyond provincial boundaries; the threat to the future of democracy by organized pressure groups dictating to the majority; spirit-killing restrictions and preventing an individual from working as long and as hard as he wishes; and starlings.

* * *

JOHN BARNETT, Manager, Ontario Branch, Credit Foncier Franco-Canadien, Toronto, and President, Ontario Historical Society.

I like best our material growth. I like least its inequalities and apparent failure in two-way inter-provincial trade with our outlying sections selling to as well as buying from the central provinces — the root trouble in the Maritimes and threatening the future of Manitoba and Saskatchewan. I like our ability to finance social measures which help individuals to avoid the penalties for sloth, extravagance, incompetence and folly. I like least the declines in pioneer qualities of resourcefulness, independence and energy. I like best our increased power and influence internationally. I like least our character development, our unwillingness, nationally and individually, to do to and for others as we would be done by.

* * *

ROY BROWN, Editorial Director, The Sun, Vancouver.

What I like best is leadership that makes Canada independently great. Our progress would not have been possible without half century statesmanship by a remarkable succession of prime ministers.

What I like least is something not of our own doing — namely United States' tariff trends toward world mercantile isolationism. Canada's expansion internationally can only come by attaining worldwide freer trade and eventually we must lead Washington Government into broader business policies else we are all headed for new world troubles.

Internally, Canada can gain most in next few decades by cultivating universal knowledge of English and French languages to a point where it will be regarded a gross social error if high school students cannot use both languages with equal facility. Only then will racial and religious differences disappear.

* * *

R. A. BRYCE, President, Canadian Chamber of Commerce, Montreal.

The extending Canadian achievement has been the tremendous development of our national resources which has resulted in our rapid industrial growth. The recent investigation and discoveries of either two unknown oil and mineral wealth deposits point to still further developments. Equally important has been Canada's growth in stature amongst nations of the world as a world trader and leader amongst free countries.

What I least like is the tendency of many of our citizens to place more and more dependence upon government instead of relying upon their own initiatives and enterprises.

* * *

J. CLAIR GANONG, Managing Editor, Moncton Times-Transcript.

The greatest development is, I think, the deepening consciousness of a Canadian nationality and the emergence of a sense of nationhood. Our participation in two world wars has given us a place of high honor in the eyes of other nations of the world. The Act of Westminster, and finally the decision to discontinue the colonial practice of appealing to a judicial authority outside the country — too long considered superior to our highest Canadian court — are major events in a great development in Canadian history.

What I like least of all is the apparent willingness, almost eagerness of people to lean upon the government rather than depend upon their own initiative, for practically everything from jobs to final security.

* * *

HARRY R. JACKMAN, President & Manager, Debentures & Securities Corp., Toronto.

Among outstanding developments are the CPR, Marquis wheat, World Wars I and II, which proved Canada could manufacture anything demanded. In the intervening years, development of Hydro-electric resources and newsprint capacity and now western oil, biggest economic event in our generation. Iron ore will soon add to our stature and diversity.

Among the minor quantities are maladjustment of international trade unsettling, more vigorous steps toward re-orientation of trade channels imperative. Selective immigration is pitifully inadequate. Retention of economic controls, particularly foreign exchange, hampering development; excessive rate of taxation on extra effort discourages venture and industry. National unity is not yet achieved as shown in times of national crisis. Political leadership and economic statesmanship face a great challenge in a great Canada with a vastly greater future.

* * *

JOHN MARSHALL, Associate Editor, Windsor Daily Star.

Best is development from semi-colonial country of five million people to self-governing one of 13.5 million. This comprises all other developments and arises out of them. As a nation we have lost our inferiority complex (though some continue to cling to it). We are now beginning to appreciate what we have accomplished, what we are accomplishing, and what we can accomplish; we are gaining confidence in ourselves, both in domestic and international affairs. But we are no narrow nationalists. Our geography, history and interests prevent that. Without any offense to anyone or to any former associations, we are becoming Canadians.

* * *

J. B. McGEACHY, Associate Editor Toronto Globe & Mail.

I like most the continued goodwill between English-speaking and French-speaking Canadians. I like least the easy acceptance of American standards of value, taste and behavior just because they are American. But, incidentally, are you not a year ahead of time? The next half century will not begin until 1951, and anything can happen in 1950.

* * *

N. F. PULLEN, Manager, Public Relations, British Columbia Telephone Co. Vancouver.

I like Canada's rise to independent nationhood, her increasing importance as a voice in world affairs, her growing industrial stature, her greater regard for the welfare of the masses of her people as reflected in health and social service programs, the improvement in racial and religious tolerance, the trend toward conservation of natural resources and the increase in community and regional planning.

As to which developments I like least, none worries me unduly. I would say the general course of the Canadian ship has been good though occasionally she has drifted to port or starboard a bit with the tides.

* * *

C. O. TATHAM, Sentinel Review, Woodstock, Ont.

Since the turn of the century, Canada's development as a producer of food stuff and manufactured goods has placed her in an enviable position. I regret trend of centralization of business through sales and amalgamations of smaller individual companies.

* * *

CHARLOTTE WHITTON, Former director, Canadian Welfare Council, Ottawa.

I value most the system of child protection extended in this century from coast to coast and effective in seven provinces. Closely allied is the emergence of the right of woman to full education and economic independence as an earner in her own right. This is likely to be followed by political maturity and effective exercise of her electoral power.

I deplore most the draining off of the vigorous life from the rural areas, and urban growth with its inevitable decay of democracy in which I deem the most dangerous and insidious virus springs from the use of the printing press, the celluloid film and the air in the synthetic production of public opinion through government information services and its Siamese twin the public relations expert, whether under public or private auspices.

* * *

F. G. WINSPEAR, Chartered Accountant, Edmonton, Alta.

Encouraging aspects of Canada's industrial development are:

1. The discovery and exploitation of new and important mineral resources, particularly oil, iron ore and uranium.
2. The impetus to Canada's industrial development evidenced by the willingness on the part of capital to invest in new industries.
3. Development of irrigation and other aids to agricultural stability.
4. Growing recognition by Canadians of Canada's political and economic importance in world affairs.

Alarming aspects are:

1. A deterioration in the apparent competitive productive capacity of Canada's chief customer for agricultural products—Europe.
2. Failure to make a reasonable measure of progress in the free flow of goods and services between Canada and United States and Canada and other world markets.

COMPANY REPORTS

STEEP ROCK IRON MINES realized an operating profit of $2,441,278 in the 10 months ended Oct. 31, 1949 before write-offs and interest and a net profit of $1,267,173 or 18 cents after all charges.

With $721,812 of non-operating charges representing depreciation and pre-production expense write-offs, working capital rose to $3,321,532 from an excess of current liabilities over current assets of $848,742 at the end of 1948.

Gross value of 1,049,560 tons of ore shipped during the period is reported at $8,243,205. An additional 84,406 tons of ore were shipped in November, bringing total shipments for the season to 1,133,966 tons.

INCOME ACCOUNT

	10 mos. ended Oct. 31 1949	12 mos. ended Dec. 31 1948
Production	$8,243,205	$4,815,590
Less: Trans. & mkt. exp.	3,096,853	1,893,353
Oper. exp.	2,542,106	1,855,263
Office exp.	136,222	28,422
Taxes & insur.	26,746	29,039
Oper. profit	2,441,278	1,009,518
Less: Replace. pwr.	94,150	164,237
Sundry int. & exch.	63,829	32,779
Funded debt int.	280,220	323,750
Amort. debt disc.	14,094	16,912
Depreciation	564,378	509,659
Pre-prod. exp. w/o	157,434	102,914
Net profit & surp.	1,267,173	*140,738

*Net loss and deficit.

CONDENSED BALANCE SHEET

As at:	Oct. 31 1949	Dec. 31 1948
Cash	$905,975	$150,445
Accts. rec.	2,089,220	68,063
Pfd. sh. subs. rec.	1,000,000	.....
Stores & supplies	400,610	469,010
Total curr. assets	4,395,814	708,120
Funded debt dep.	35,600	119,953
Pre-prod. exp.†	6,620,681	6,778,115
Strip & pump. cost‡	2,335,610	1,302,848
Deferred accts., etc.	551,574	460,663
Bldgs. & mach.*	1,351,244	1,206,490
Mining props.	4,351,822	4,351,822
Total assets	19,642,443	15,218,016
Accts. payable	535,695	1,323,876
Bond payts.	220,000	110,654
Other liabs.	318,587	122,332
Total curr. liab.	1,074,282	1,556,862
4% 1st mtge. bds.	4,700,000	5,000,000
4½% 1st mtge. bds.	625,000	.....
5½% s. f. debs.	2,250,000	2,250,000
Res. for U. S. exch. on fund. debt	767,500	725,000
Int. res. fd.	......	32,453
S. F. res. fd.	......	87,500
Capital stock	8,959,111	6,170,311
Capital surplus	1,369,248	996,414
Less: Deficit	102,698	1,600,724
†After w/o of	1,786,082	1,628,643
‡After w/o of	1,311,950	.....
*After depr. of	1,448,273	1,115,947
Working capital	3,321,532	†848,742

†Excess of current liabilities over curr. assets.

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Development Of New Resources Of Major Importance

S. M. Wedd, President, The Canadian Bank of Commerce, Stresses Iron and Oil Programmes

Great Enterprise of Canadian People

James Stewart, General Manager, Says Heavy Capital Investment Influence on Business and Employment

Bank's Assets at Record Level.

At the Annual Meeting of the Shareholders of The Canadian Bank of Commerce, held in the Head Office of the Bank, Toronto, December 13th, Mr. Stanley M. Wedd, President, and Mr. James Stewart, General Manager, presented the Annual Statement of the Bank together with a review of business conditions. Mr. Wedd's address to the meeting follows, in part:

Canada's continued efforts since the war to develop an orderly and prosperous economy have been highlighted each year by changes both in domestic and in foreign relationships and the year now drawing to a close will stand out in this respect.

◆

NEWFOUNDLAND

I would first note in the record of events that Newfoundland this year became the tenth Canadian province, after a series of negotiations dating back many years. Both countries stand to gain much from the new partnership and Newfoundland will now take her place as an active member of this Confederation. Tradewise, Canada and Newfoundland always have been very close, with Canada first in importance as a source of Newfoundland imports and third in importance as the destination of Newfoundland exports.

◆

DEVALUATION

The most momentous of recent happenings is the devaluation which took place in mid-September last of the British pound, the Canadian dollar and the currency adjustments of about twenty-five other countries which are linked more or less closely with the Sterling Area. In all likelihood it will be weeks, or even months, before the full results of these various devaluation operations can properly be appraised.

The dollar issue today is probably less a dollar problem than a production and marketing problem. Devaluation is, in effect, an attempt to rectify a distorted balance of payments position arising from unfavourable trade developments. For real advantages to accrue from devaluation there must be either a sizable stockpile of goods available for export or a production potential sufficient to satisfy any increased demand for export goods. In such circumstances, the devaluating country can take advantage of its more favourable competitive position either before economic conditions change internally or before other countries readjust trade barriers or institute competitive devaluation. In the light of the many variable factors which must be satisfied before exchange depreciation can effectively check or reverse a trend in a country's balance of payments, it is perhaps more realistic to regard devaluation as a temporary expedient rather than a corrective. Should this recent step lead eventually to free convertibility of currencies, an objective much to be desired will have been accomplished. If, on the other hand, devaluation is nullified by continuous price adjustments then, from an economic point of view, the step will prove to be abortive.

◆

TRADE AND TARIFF CONFERENCE

Trade and tariff discussions initiated at Geneva in 1947 continue. Reports of the sessions during the past summer suggest that the principles of multilateral trade have become more widely recognized and the leading nations in world trade, the United States, Britain and Canada, are moving toward more liberal commercial policies, although these may not be fully implemented for some time. The revised schedules of tariff agreements negotiated between the ten additional nations which have now joined the general agreement and the twenty-three original members achieved no spectacular reduction in the tariff walls, but they continue the basic principles outlined in the Geneva negotiations.

Canada has reduced tariffs on sixty-one items and has bound against increasing the tariff rates on twenty-four additional items. Of particular importance were the tariff reductions obtained by Canada from the United States under the most favoured nations principle, centring for the most part on certain types of steel products, wood products and meat and dairy products.

◆

THE NATIONAL SCENE

Looking at our domestic picture, it may be noted that the national economy as a whole has continued at a high level. Conditions, however, have been more varied than was the case in 1948, although it is likely that there will be an over-all gain this year and it is now anticipated that the dollar volume of production will reach sixteen billion dollars as compared with fifteen and a half billion in 1948. During the year the number of people at work reached the highest figure in the employment history of this country.

Canadian agriculture begins the 1949/1950 crop year in a strong financial position due in a large measure to continued high returns from the sale of farm products. There was, however, earlier in the year, widespread drought and insect infestation and, consequently, many grain growers in western Saskatchewan and eastern Alberta, as well as in some localities in central Canada, suffered heavy crop damage, which was not fully overcome by the more favourable weather later in the season.

◆

INDUSTRY

The great expansion of Canadian industry in the last quarter century, and notably in the last decade, is a tribute to the enterprise of Canadian citizens. It is estimated that in the last ten years manufacturing capacity in Canada has increased by about sixty per cent. while the gross value of Canadian manufacturing production per head of population has risen from about two hundred and fifty dollars per head in the 1926-29 period to the present value of about seven hundred and fifty dollars. In all, there now are approximately thirty-three thousand manufacturing establishments operating in Canada producing goods to a value of over ten billion dollars yearly. Industrial production has moved upwards and reached a new peacetime high towards the latter part of this year. Vegetable and animal products, from the latest figures available, contribute the greatest gross dollar value of production, followed by wood and paper products, iron, textiles and non-ferrous metals, in that order. These six groups account for nearly ninety per cent. of the total value of manufacturing production in Canada.

◆

MINING AND OIL

Today Canada is one of the leading producers of minerals and current production is valued at well over eight hundred million dollars per annum derived from about sixty different substances. This represents a substantial increase in dollar value over any previous record, with higher values per unit produced and increased volume of production both combining to bring about a new peak. Plans are proceeding for the development of the Quebec and Labrador iron ore deposits estimated at over three hundred million tons. The initial operations are projected at a minimum of ten million tons per annum, but some years must elapse before actual production will be under way. Also, in the lower Quebec region the production of titanium is expected to commence in 1950 with an objective, which it is planned to reach in 1952, of 220,000 tons of titanium slag and 175,000 tons of pig iron per annum.

The present petroleum development programme, largely in Alberta, but extending also into Saskatchewan and Manitoba, is the largest ever undertaken in Canada. Alberta now has nearly one thousand productive oil wells, over twice as many as a year ago, and Canadian oil production has tripled as compared to two years ago. What the new oil discoveries may mean to the future of Canadian economic life is as yet uncertain but if there are further discoveries and production continues to increase at the present rate, oil production may rival agriculture in importance to the prairie economy. Equally topical is the possibility that, by becoming self-sufficient or nearly self-sufficient in oil, Canada may substantially reduce her trade deficit with the United States. In 1948 aggregate oil imports from all sources amounted to about three hundred millions in United States dollars.

The increase in the tempo of the development of the natural resources of the country, to which I have just referred, is undoubtedly of major importance to our economy. One can well envisage that, with new oil potentials and the possibilities of substantially increased shipments of metals to the United States markets, the current deficit in our trade with that country should progressively decline and that, in due time, a shift in our pattern of trade may develop.

◆

To-day we face many uncertainties. The attempts to gain control of men's minds, which is the goal of the totalitarian, throw difficulties in the way of efforts to establish an orderly trading world. Yet the advantages of peaceful and universal trade are so obvious that one cannot help but be strongly hopeful that common sense will prevail.

All in all the year just closing has been a good one for Canada. Our trade generally has reached top figures and employment has been quite well maintained in most fields of endeavour. In so far as the immediate future is concerned I think it safe to conjecture that the coming year will bring satisfactory results in the aggregate. It is true that competition is becoming increasingly vigorous both at home and from outside of our borders, but there is great enterprise in the Canadian people and given a reasonably stable world there is no basis for pessimism.

◆

GENERAL MANAGER'S ADDRESS

Following on from the record activities of 1948 the Canadian economy has continued in a generally upward direction and year-end aggregate figures of national income and production will indicate further industrial progress this year. This sustained upward trend is reflected in the present position of the Bank. During the fiscal year, assets increased by some 117 millions of dollars — a somewhat greater climb than that of last year — and the figure is now 1,646 millions.

In accordance with Section 61, subsection 7, of The Bank Act, each Chartered Bank must pay to the Bank of Canada, within 30 days after the 1st January next, the amount of notes outstanding in Canada at that date which it had previously issued for circulation in Canada. This is the culmination of a process of gradual reduction of chartered bank notes which has been in effect for some years past. The Bank of Canada will thus become the redemption agent of all the outstanding Canadian circulation of the Chartered Banks. The circulation privileges of bank note issue by the Chartered Banks was given formal approval in the first Bank Act and this function performed by the Banks over the past 75 years has contributed to the development of Canada. With this function now terminating the double liability feature of bank shares will disappear.

◆

DEPOSITS

An increase of 122 millions is shown in deposits this year as contrasted with 93 millions last year. The Balance Sheet which is before you gives a breakdown of this liability in various classifications, but probably the most significant figure is contained under the heading "Deposits by the Public bearing interest," etc. The bulk of the deposits under this heading is in personal savings and the increase of 58 millions over last year at once denotes the thrift and savings habits of the people of this Dominion and also reflects the generally favourable economic conditions within the Dominion.

INVESTMENTS

Our investment portfolio covering Dominion and Provincial Governments and Municipalities issues shows a modest increase over last year of $4 million. The return from such securities over the cost of money to the Bank is low — a very small fraction of 1 per cent. However, these securities could readily be converted into cash, they are not subject to wide market fluctuations, and consequently represent a safeguard for our depositors' funds.

Public securities other than Canadian are mainly represented by short-dated United Kingdom and United States Government bonds held as a reserve against sterling and United States dollar deposits carried by our customers at our branches abroad.

Other Bonds, Debentures and Stocks are up during the year by $3½ million. The rate of expansion here is sharply down from last year which may be ascribed to the fact that the public generally is becoming more receptive to private securities.

While on the subject of investment, it might be noted that over the past few years great strides have been made in the expansion and improvement of industrial and commercial plant and equipment which has involved heavy capital investment and this has been a sustaining influence on the high level of business and employment. Having regard for past experience, there must be an annual rate of capital investment that fits in with the orderly growth of an economy such as ours, although so far it is difficult to express in figures such over-all investment. It is important to our economy that private capital investment be encouraged among our own people, but also the factors must be such that citizens of other lands will view our investment possibilities with favour. It is essential, therefore, that a climate continue to be developed and sustained wherein risks and returns come into line and where individual and corporate judgments be given adequate scope.

◆

LOANS

Current loans this year have increased $59 million. This is almost double the increase of 1948. Steady upward price movements (fortunately on a small scale), a sustained expansion in industrial plant and equipment plus the continued buoyancy of the Canadian economy to which I have made previous reference have contributed to this position.

◆

VOLUME

So far, I have dealt only in figures which have a dollar sign in front, but I am pleased to say that the progress made dollar-wise has been matched in the increased number of our customers, depositors, borrowers and others who use the facilities of the Bank. The number of deposit accounts increased by 38,600, and borrowers by 11,500.

In addition, there has been a further enlargement of the number who have a proprietary interest in the Bank as our shareholders have increased by 450 and now stand at 13,936.

◆

STAFF

The figures which you have before you bespeak the calibre of the staff. The over-all increase in the Balance Sheet and the level of our earnings tell the story of initiative, energy and good staff-customer relationships. We have a large staff — some 7,500—scattered over the length and breadth of the Dominion, in the United Kingdom, the United States and the West Indies. Spread as they are, authority is widely diffused and I cannot speak too highly of the manner in which the Managers and Accountants throughout the service have accepted and wisely used their delegated authority. The men and women in the clerical positions in the branches have also contributed to the giving of cheerful and efficient service to the public. It is a pleasure for me to express appreciation to the members of the staff for a good job well done, and I am sure this will be heartily endorsed by the shareholders here today.

INDUSTRIAL PRODUCTION

In the half century the gross annual value of factory output has grown from half a billion to nearly $10 billions. In the past decade our manufacturing industry has undergone virtual revolution—in expansion, modernization, in the increase in products it knows how to make. Our 10 leading industries:

Then	$ Millions Gross Value of Production
1. Food products	245.7
2. Timber & Lumber....	184.6
3. Textiles	135.9
4. Iron & steel products.	113.6
5. Metals & products...	73.2
6. Vehicles (land)	69.7
7. Leather & products...	62.8
8. Paper & printing	46.5
9. Liquors & beverages..	28.9
10. Chemicals	27.8

Now	$ Millions Gross Value of Production
1. Pulp & paper	825.9
2. Slaughtering & meat-packing	689.7
3. Non-ferrous smelting & refining..........	576.4
4. Electrical apparatus ..	425.7
5. Sawmills	419.4
6. Automobiles	398.1
7. Petroleum products ..	389.4
8. Butter & cheese	382.2
9. Primary iron & steel..	282.2
10. Railway rolling stock.	237.4

AGRICULTURE

Roughly one in three of all Canadian workers is engaged in farming. There's more than $6 billions invested in lands, buildings, machinery, livestock. The most important of our primary industries, agriculture this year will bring in more than $2 billions cash income, or 20 times as much as at the start of the century.

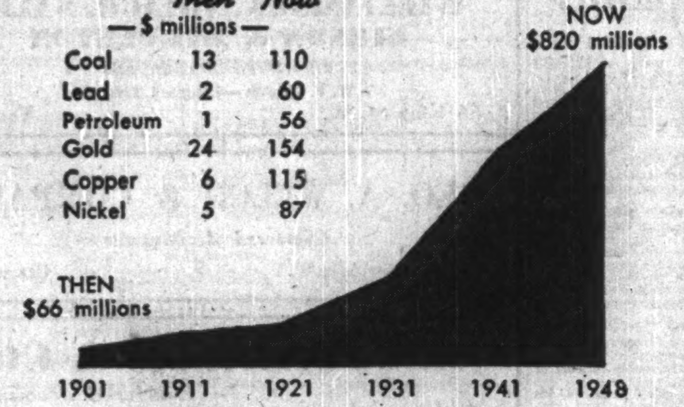
	Then	*Now*
No. of farms	511,073	732,832
Production values:		
Av. per farm	$714	$983
Farm values:		
Av. per farm	$3,497	$5,787
Wheat Production		
Millions of Bushels	55.6	393.3
($ Millions)	36.1	551.1
Livestock Production		
($ Millions)	75.8	802.2
Dairy Products		
($ Millions)	29.4	389.6

THE MINES

Mines are one of Canada's great strengths for peace and for war. We are among the world's foremost producers of uranium, copper, gold, nickel. Value of a year's mineral production:

By selected minerals:

	Then	*Now*
	—$ millions—	
Coal	13	110
Lead	2	60
Petroleum	1	56
Gold	24	154
Copper	6	115
Nickel	5	87



Value of a year's mineral production

FOREIGNERS INVEST HERE

Capital from other countries has been an important factor in the use and development of our natural resources and in making Canada a highly industrialized nation.

	—$ millions—	
	Then.*	*Now*.†
BRITISH investment here	2,778	1,642
U. S. investment here	881	5,187

Note the shift from British to U. S. capital.

What's this foreign money invested in?

Bonds of Canadian governments (Federal, provincial, municipal): $18,191 millions

Corporations (mines, factories, utilities, etc.) $1,643 millions

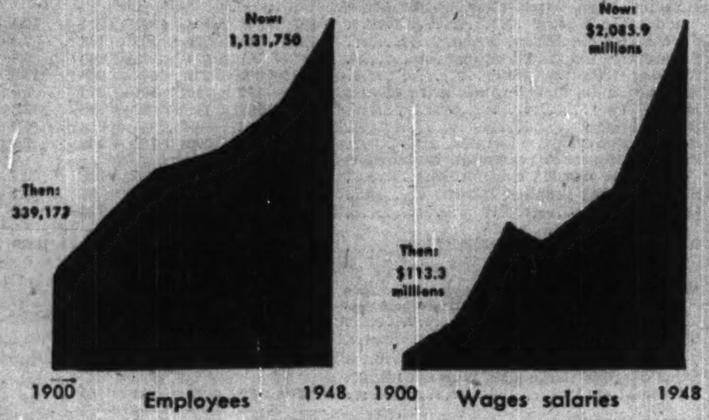
Canadian railroads .... $1,060 millions

*1914

†1947

THE WORKERS, THEIR WAGES

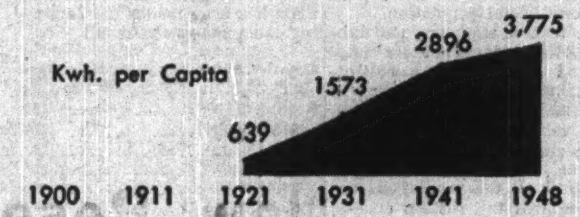
The half century has seen nearly a threefold increase in the number of workers employed in manufacturing industries; the bill far salaries and wages has risen nearly 18 times.



POWER PRODUCTION

Per capita, Canada has the largest hydro-electric power production in the world. On a per capita basis, our present water power development is five times that of U. S. Development has been rapid, vast, to meet demands of rapidly-expanding industry.

	Then	*Now*
Turbine H.P. installed	71,219	11,000,000
Power houses	58	600
Power generated .... (million kwh.)	5,614	46,260



THE FORESTS

From the nation's forests pours out a huge stream of wealth. Pulp and paper is the nation's largest industry, the major U. S. dollar earner. We are by far and away the world's largest producer of newsprint. Value of a year's forest production:

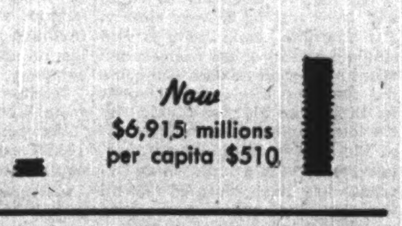
	*Then**	*Now*
	—$ millions—	
Primary forest production	168.1	413.3
Lumbering production ..	82.4	129.4
Sawmill products	116.9	419.4
Pulp and paper products	151.0	825.9

* 1921.

SAVINGS

Canadians are thrifty. Their ability and willingness to save has constantly increased even despite the high taxes of the past decade. Here are just two illustrations:

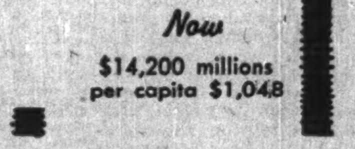
Bank Deposits



Then
$285 millions
per capita $54

Now
$6,915 millions
per capita $510

Life Insurance in Force



Then
$431 millions
per capita $81

Now
$14,200 millions
per capita $1,048

WHERE INDUSTRY IS LOCATED

While the predominance of Ontario and Quebec as the industrial heartland of the nation have never been challenged, significant and impressive has been the development of manufacturing industry in British Columbia, the Prairies.

	Then	*Now*	*Then*	*Now*
	No. of Establishments		Gross Value of Production $ Millions	
Ontario	6,543	11,860	241.5	4,903.5
Quebec	4,845	11,223	158.3	3,017.0
B. C.	392	3,020	19.4	858.3
Prairies	429	3,796	14.9	875.7
*Marit's	2,441	2,801	46.9	425.3

*Newfoundland excluded.
Then in this case is 1900; now is 1947.

TRANSPORTATION

Canada today has over 140,000 miles of surfaced roads; 42,000 miles of railway track; our planes fly nearly 40 million miles a year. The record in transportation growth is further striking evidence of remarkable national development:

*Then**	Roads	*Now*
We had 14,000 miles of surfaced roads. One motor vehicle to every 328 persons		We have 140,000 miles. One motor vehicle to every 6 persons

Railways

Mileage	17,657	42,000
Freight carried	37 million tons	100 million tons
Passengers	18 million	38 million
Earnings	$72.9 millions	$905.0 millions

Airways

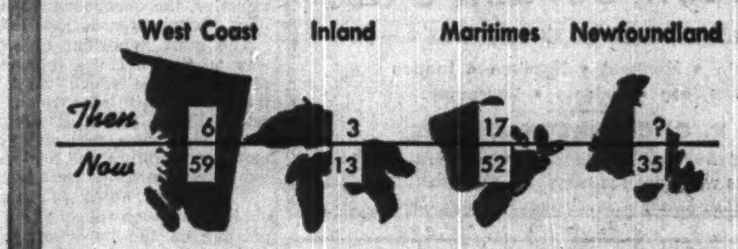
Miles flown	294,449	37,100,000
Passengers	19,539	1,100,000
Freight, lbs.	79,850	37,200,000

*1921.

THE FISHERIES

With Newfoundland now a member of our nation, Canada is one of the world's leading fish producers. New methods of fishing, conservation policies and deep freezing are transforming the industry.

Total Value of Production
—$ millions—
Then 22 *Now* 180



STANDARD OF LIVING

Our standard of living is second highest in the world. It has increased 50% in the last 10 years only. This is reflected in many ways.

National Income $ per capita 1,000

(U. S. 1,410 U. K. 640)

Food consumption lbs. per person per year:

Milk, dairy products	68	(U. S. 72	U. K. 50)
Meat of all kinds	140	(U. S. 143	U. K. 103)
Grain products	200	(U. S. 205	U. K. 251)

Car ownership: one for every 9 Canadians

U. S. 1 for 4 U. K. 1 for 24

Telephones: one for every 6 Canadians

U. S. 1 for 4 U. K. 1 for 12

Electric Power:

Kilowatthours per capita used: 3,775

U. S. 2,323 U. K. 931

... And Thus Stands the Nation at Midcentury

The Financial Post

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Where Money Goes in 'Cost of Living'

DBS Head Explains Details and Value of Major Survey

Where does all the money go? That's a favorite question in every household. Looking for the answer, Dominion Bureau of Statistics recently conducted a survey of 6,000 families and single persons; came up with the answers for five major Canadian cities.

In an article specially written for The Financial Post, Herbert Marshall, Dominion Statistician, here defines the limits of the survey and explains its importance in the analysis and preparation of the Cost of Living Index.

By HERBERT MARSHALL

In October, 1948, the Bureau of Statistics made an Income and Expenditure Survey based on a representative sample of families and single persons. Its purpose was to secure indispensable information which could be obtained in no other way. Revision of the cost-of-living index to a current base will now be possible and the survey material will be extremely valuable for many other purposes.

One of the most informative indicators of the economic health of a nation is the National Income, for the compilation of which the Survey provides statistics which hitherto have not been available. It will provide much needed information about the size distribution of incomes and Marketing Research organizations will use the data for an analysis of the consumption of various products by areas, income groups and family size.

One of the most important uses of such materials is for the construction of cost-of-living indexes. It is impossible to construct a reliable index if you do not make a study of an adequate sample of family budgets. You must know the "expenditure or consumption pattern" for a representative sample of families and individuals across Canada, in order to select the important items which should be included in the cost-of-living index and give them their proper weight.

"Weighting" Items

Everybody knows that some items in the family budget are more important than others, for example, bread and meat as against salt and pepper. Therefore, the items must be weighted according to their importance.

True, some people do not like to answer questions on their income and expenditure, because they consider that such matters are their own concern, or because they do not want to go to the bother of looking up records or of trying to dig up from their memories so much detailed information. This reaction is understandable, and the Bureau of Statistics undertakes such surveys only when there is no other way of securing information which it must have to carry out its functions. It has made this type of survey on only two occasions, in 1938 and in 1948, and the main purpose was the same on both occasions.

Fortunately, it is only necessary to secure a sample of budgets representing the different income classes of the community. To be effective, the questionnaires used must include considerable detail.

The most important objective was to find out the proportion of expenditure which went for the six groups into which the cost-of-living index is divided, i.e., food, shelter, fuel and light, clothing, furniture and household equipment, miscellaneous items.

The second objective was to obtain as much information as possible on the important items which fall in these main groups, for example, such items as meats, bread, milk, butter, etc. in the food group, or medical care, recreation expenditures, etc. in the miscellaneous group.

It was never expected that people could remember their exact expenditures on many insignificant items. However, detailed listing of items assists the memory and acts as a guide to the kind of articles and services which fall under each main group heading thereby resulting in more accurate group totals. The use of a detailed questionnaire is a well-established procedure in such surveys.

Get Relative Importance

It is obvious that unless people keep continuous and careful records of their income and expenditure, they will not be able to remember at the end of a year the exact details of their budget. Fortunately that is not necessary. The statistician is on safe ground in this respect because he knows that in making a cost-of-living index the important thing is to have accurate prices of the items included and the quantities used, to ensure that each item will exert an influence relative to its importance can be less precise, yet the resulting index will be affected insignificantly. In short, prices must be accurate but the weighting system need only be approximately accurate.

Memory can be depended on to produce answers concerning expenditures on many of the outstanding items in the budget with a relatively high degree of accuracy, and there is further assurance in the knowledge that where a large number of returns are being averaged, minus and plus errors cancel out to a surprising degree.

In spite of the detailed questionnaire, the response was excellent. There was no compulsion—answering the questionnaire was purely voluntary. Nevertheless, family budgets for 6,000 families or single persons were returned by citizens in all walks of life. This was three times as many as were received from the 1938 survey and very large also when compared with other countries in relation to total population.

The task of analyzing and tabulating the contents of these budgets and constructing a cost-of-living index on a new base is a long and complicated process. Some results are now available which shed partial light on the postwar consumption patterns. Not until all the tabulations are finished will the pattern emerge in all its aspects. But the results for the five cities for which figures have been issued furnish a good approximation to the final picture which will emerge.

Explanation of Figures

It is easy, however, to misunderstand the meaning of some of these figures and arrive at entirely false conclusions. This is because they have been collected and tabulated according to special concepts. They must be studied in the light of the following explanations:

In the first place, they are based on the sample of spending units representing all types of families and individuals in the population. These are economic families—groups of persons who pooled their income and met living expenses from a common fund.

This group was commonly the blood family, but if persons who were not members of the blood family shared their income or living expenses, they were counted as an economic family. Grown sons and daughters who were working and living at home were included in the parents' economic family where their finances, especially living expenses, were almost always mingled, either formally or informally, with those of their parents. The term "single person" refers not to marital status but to financial independence; a "single person" is one whose budget is kept separately from any other person's. Because the spending unit often consisted of a single person, the size of the spending unit on the average was considerably smaller than the conventional family.

Obtaining Averages

Since the sample was made as representative as possible of the economic groups in the community, the resulting figures are accepted as applicable not only to the spending units of the sample but as well to all the spending units who were not included in it.

The figures given are averages and were arrived at very simply. For example, some families and single persons or spending units spent money on tobacco and some did not. The total amount spent by those who did was divided by the total number of spending units in the Survey to obtain an average per spending unit. These averages are then accepted for all the spending units in the city whether they reported or not.

There has been some comment on the low average figures shown for shelter expenditures. The low average is explained by the fact that they are based on the shelter costs of all spending units. For example, they would include the rent of a single room occupied by an individual who constitutes an independent spending unit, i.e., one entirely on his or her own and not linked up with a spending unit such as a family.

Or suppose two young women, who keep their budgets separately from any other person, occupy a room renting for $30 a month, each would have shelter costs of $15 per month. Shelter costs cover all types of shelter including single homes, rooms in boarding and lodging houses, apartments, duplexes, suites, etc.

These average expenditures for shelter are in line with the results of other investigations made by the Bureau. In February, 1948, a survey of 30,000 non-farm dwelling units (single homes, duplexes, apartments, etc., but not including single rooms in this case) was made. From this large sample an estimated distribution of the rents of all rented non-farm dwelling units has been made. The following table shows the result:

Estimated Distribution of Rents for Non-Farm Dwelling Units in February, 1948

Monthly Rent	% of Total
0-$ 9.99	5
$10-$19.99	28
$20-$29.99	31
$30-$39.99	19
$40-$49.99	9
$50-$59.99	4
$60-$69.99	2
$70-$99.99	1
$100-or more	1
total	100

It will be seen that approximately 80% of these dwellings fell below $40 per month rental. The largest class, 31%, was the $20 to $29.99 range. The average rental for Canada was $27.50, since the lower ranges exercise a predominant influence.

In the 1941 Census, it was shown that the average rent of dwelling units was $24.00.

The results of the Survey show on the average for the five cities higher expenditures than income. The difference must not be interpreted as an actual cash deficit. There are numerous reasons why the deficit in a [illegible]at many instances is apparent [illegible]her than real.

For instance, the full purchase price of goods bought on the installment or deferred payment plan appears in expenditures, although the cash outlay at the time of purchase may have been a relatively small part of the total value. Life insurance premiums and contributions to pension funds are also included as current expenditures. If they had been treated as savings instead of expenditures, the deficits would have been offset to that extent. Again where goods were paid for out of previous savings, the amount on the expenditure side of the account would not have a corresponding item on the income side.

Average Expenditure and Income of Families and Single Persons in Five Canadian Cities
From September 1, 1947, to August 31, 1948

	AVERAGE EXPENDITURE					% OF TOTAL EXPENDITURE				
	Halifax	Montreal	Toronto	Winnipeg	Vancouver	Halifax	Montreal	Toronto	Winnipeg	Vancouver
Expenditure Items	$	$	$	$	$					
Food—eaten at home	605	736	721	609	614	21.0	24.8	21.2	21.4	22.6
Food—other food and beverages (restaurant meals, board, between-meal food, beer and other alcoholic drinks)	187	200	176	174	145	6.5	6.8	5.2	6.2	5.3
Housing*—rent, expenses of owned home, and other lodging	297	352	368	301	271	10.4	12.0	10.8	10.5	9.9
Fuel, water, electricity, ice, etc.	224	183	228	185	182	7.8	6.1	6.7	6.5	6.6
Furnishings, household equipment	161	161	209	202	190	5.6	5.4	6.1	7.1	7.0
Clothing (cleaning, etc.)	380	390	375	350	286	13.2	13.2	11.0	12.3	10.5
Transportation, including net price of cars	256	152	310	197	270	8.9	5.1	9.1	6.9	9.9
Medical care	102	103	111	88	90	3.6	3.5	3.3	3.1	3.3
Personal care	44	43	49	41	38	1.5	1.4	1.5	1.4	1.4
Recreation, reading, education, gifts	167	151	226	182	198	5.8	5.1	6.6	6.4	7.3
Personal insurance premiums, taxes, charitable and pension contributions	308	327	478	376	318	10.7	11.0	14.0	13.2	11.7
Soap, cleaning supplies, tobacco	119	134	114	96	86	4.1	4.5	3.3	3.4	3.2
Other	26	33	41	46	36	.9	1.1	1.2	1.6	1.3
AVERAGE TOTAL EXPENDITURE	2,876	2,965	3,406	2,847	2,724	100.0	100.0	100.0	100.0	100.0
Income Items										
Money earnings from employment (wages and salaries, net income from self-employment, military pay)	2,168	2,594	2,823	2,396	2,046					
Other money income (rents, dividends, family allowances, pensions, etc.)	382	274	461	300	498					
Other receipts (large gifts, inheritances, tax refunds, etc.)	25	89	30	48	50					
TOTAL INCOME	2,575	2,957	3,314	2,744	2,594					

The difference between income and expenditure shown here must not be interpreted as an actual cash deficit. There are several reasons why the deficit may be apparent rather than real. The full purchase price of goods bought on the installment plan appears on the expenditure side here, although cash outlay in the year covered may have been a relatively small part of the price. Again, if goods were paid for out of previous savings the amount on the expenditure side would not have a corresponding item on the income side. Life insurance premiums and pension contributions are also included as current expenditures. If they had been treated as savings, as is often done, the deficit would have been smaller by that amount.

* Summer cottage, lodging for persons at school, travelling or working away from home are included in this total but not in the averages for owners and renters shown in breakdown following.

Breakdown of Housing Expenses in Five Canadian Cities
September 1, 1947, to August 31, 1948

	Halifax $	Montreal $	Toronto $	Winnipeg $	Vancouver $
Average expense for families and single persons reporting rent, including the rent of single rooms	284	323	364	287	269
Average expense for families and single persons reporting an expense for owned living quarters	222	267	292	260	233

Mindus To Form New Firm To Control 11 Companies

Mindus Corp. announces formation of a new industrial subsidiary, Montor Industrial Corp. The new subsidiary will control, directly or indirectly, 11 industrial companies throughout Ontario and Quebec and will have a substantial share interest in four others.

It is proposed to make an offer to present holders of $750,000 5% convertible sinking fund debentures of Mindus Corp., due Dec. 1, 1955, to exchange each $1,000 debenture for $500 5½% Montor debenture, $500 of 6% preference shares of Montor of par value of $50 each and 1,000 Mindus Corp. rights. Mindus Corp. will continue chiefly as a mining development and holding company, developing its industrial interests through Montor Industrial Corp.

After bond and share exchange transactions Montor will have outstanding $1.5 million 5½% sinking fund debentures, $375,000 preference shares, 340,000 common shares Majority of the voting common shares will be held by Mindus Corp.

It is understood, officials state, that net earnings of the subsidiaries applicable to shares to be held by the new corporation will be substantially more than the amount required for all charges involved in the projected capitalization and operating plans of the company.

Montor has agreed to acquire from Yorkmount Securities the following assets for $725,000 and 106,250 common shares of its capital stock:

Hendershot Paper Products: Montor Co. has agreed to acquire 15,100 shares—50.3% of stock. Company manufactures paper products including containers and corrugated products.

Oakville Wood Specialties: Montor will buy 70,500 shares or 80.5% of stock including 10% already owned by Mindus Corp. Wholly owned subsidiaries are Dominion Plywoods acquired this month and Glover Basket Co. With its subsidiary, Glover Basket, the company is the largest basket manufacturer in Canada.

Fleet Manufacturing Ltd.: Montor will acquire 60,000 shares or 11.8% of outstanding stock. Fleet manufactures buses, aluminum windows, packaged doors, etc.

Schell Industries Ltd.: Montor will acquire 6,000 shares or 10% of stock. Manufactures concrete building blocks, concrete bricks and ready-mix concrete, wood doors, trim, dowels, etc.

Maxwell Ltd.: Montor will acquire 11,000 shares or 54% of stock, including 44% already owned by Mindus Corp., and wholly owned subsidiary, Butler Metal Products. The company manufactures washing machines, Lovell wringers and Lovell rolls, lawn mowers, food choppers and wheelbarrows. Butler Metal Products makes special machine screw products, blow torches and large quantities of steel stampings.

Chateo Steel Products: Montor will acquire 10,000 shares or 16.6% of stock. The company manufactures sheet metal products and metal stampings; heating, air-conditioning and refrigeration equipment and washing machines.

Montor now proposes to acquire from Mindus Corp. its holdings in the following industrial companies together with 1,125,000 Mindus rights for $375,000 5½% debentures and $375,000 6% preference shares and 200,000 common shares:

Bickle-Seagrave Ltd. (Dom. company): Montor will acquire 540 shares. The company manufactures fire-fighting equipment.

Bickle-Seagrave Ltd. (Ontario company): Montor will acquire 128,343 shares. This company has a wholly owned subsidiary, Rollins Gears Ltd., which manufactures precision gears for industry.

Canadian Anodized Products: Montor will acquire 400,000 shares and $50,000 debentures. Company specializes in anodizing aluminum products.

General Merchandise Co.: Montor will acquire 5,438 shares of A stock and 40,420 shares of B stock. Company specializes in processing, packing and merchandising of frozen foods products.

Maxwell Ltd.: Montor will acquire 44,493 shares.

Mica Co.: Montor will acquire 123,426 shares. Company is sole fabricator of mica products in Canada and a wholly owned subsidiary, Universal Insulations Ltd., makes various types of insulation products.

Oakville Wood Specialties: Montor will acquire 10,000 shares.

A special general meeting of shareholders of Mindus Corp. was called for Dec. 16 to approve arrangements necessary for establishment of new company.

MINING CONCENTRATES

CONSOLIDATED ANSLEY MINES has received payment for 8,000 shares at 12½c a share, part of Nov. 30 installment under agreement with Noront Securities Co. Balance of installment, comprising option on 32,000 shares at 12c a share, and each subsequent installment have been extended for 90 days. Issued capital is 1,378,446 shares, leaving 2,121,554 in treasury.

• • •

NICHOLSON MINES has received payment for entire underwriting of 400,000 shares at 50c a share under agreement with Transcontinental Resources. Issued capital is 3,716,805 shares, leaving 783,195 in treasury.

• • •

PAN WESTERN OILS has received payment for Nov. 27 underwriting on 200,000 shares at 17c a share under agreement with Owen Investors. Issued capital is 3,150,030 shares, leaving 349,970 in treasury.

• • •

SIGMA MINES (QUEBEC) reports November production of $220,570 from 34,434 tons milled. This compares with production of $227,364 for October, 1949, and $207,682 for November, 1948.

• • •

SISCOE GOLD MINES reports that silver recovery of its subsidiary Siscoe Metals at O'Brien, Ont., was 64,529 oz. in November from treatment of 2,372 tons for an average recovery of 27.25 oz. per ton. This compares with 64,497 oz. the previous month when 2,400 tons was milled with an average recovery of 26.87 oz.

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YOU ASKED US

The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Dependents' Income

How large an income can an individual have and still be claimed as a dependent by a relative, paying income tax?

Under regulations recently adopted, a person can have an income up to $500 a year and still be claimed as a dependent by a relative paying income tax who supports him.

Status Changes

A married man at the beginning of 1949 estimated that his wife's earnings for the year would cause her to be taxed as a single person and that he, accordingly, would lose his tax status as a married man. He made out his form for his employer's information accordingly. During the year however it became clear that his wife would not have a taxable income and that he was entitled to married status for income tax. As his employer continued making deductions at the higher rate, there has been a substantial overpayment. What can he do (1) about the overpayment in 1949; (2) to have his deductions adjusted in 1950 so there will be no further overpayment?

He should have made out a new T.D.1 Form for his employer as soon as it became apparent that his wife would not have a taxable income for the year. This would show his return to married status for the year and would have stopped deductions being made at the higher level. However, because of the high deductions in the earlier months, he would still be overpaid on income tax. Accordingly when he puts in his income tax return he should show the amount of tax for which he is actually liable, the amount deducted by his employer and then claim a refund on the balance.

To ensure no overdeduction in 1950 he should give his employer a revised T.D. 1 Form showing his correct status for tax purposes as a married man.

INVESTMENTS

Second Standard

Would you please give me some information on Second Standard Royalties and its earnings? What are capitalization and earnings? What do they derive their income from?

Net profit of Second Standard Royalties showed an increase to $26,133 in 1948 as compared with $16,118 the previous year, but 1948 appropriations for preferred dividend of $28,129 left a deficit of $1,996 for the year.

Dividends of 1% each were paid on the preferred stock on August 5, 1947, May 18, 1948, and February 28, 1949, leaving cumulative preferred dividends in arrears $1.94 as at July 1, 1949. The preferred stock has a $1 par value and bears a 12% rate.

Capitalization of the company is 2,503,503 of the preferred shares and 4,984,900 common shares of $1 par value each. The latter include 1,366,700 shares held in trust for use and benefit of the company.

The company receives its income from royalties on leases operated by producing oil companies in Kansas, Oklahoma, Texas, New Mexico. Total holdings amount to approximately 1,235 royalty acres including producing and non-producing properties.

Preferred shares are quoted at 4c a share bid with no offering. We know of no market on the common shares.

Crestaurum Mines

What is the position of Crestaurum Mines? Were results such as to suggest a mine? I have held shares of this company for years but haven't heard anything on the issue recently.

Crestaurum Mines has a shaft down to 421 ft, on its property in the Yellowknife area and two commercial grade ore shoots have been indicated by diamond drilling. Underground development from the shaft has been deferred awaiting more favorable operating conditions but drilling appears to have indicated sufficient ore to justify the hope of installing a mill of 100 tons capacity.

The company is capitalized at three million shares of which 2,700,005 shares are outstanding and $1 million of 5% ten year debentures of which Transcontinental Resources agreed to purchase $300,000 for $285,000. To Oct. 27, 1949, $84,323 has been received from sale of debentures.

Investors' Syndicate

Will you please give me some information on Investors Syndicate of Canada, Ltd.?

Investors Syndicate of Canada Ltd., Winnipeg, Man., is a wholly owned subsidiary of the American company, Investors Diversified Services Inc. (the name adopted this year by the former Investors Syndicate of Minneapolis, Minn. established in 1894). Investors Syndicate of Canada Ltd. was incorporated by act of the Manitoba legislature in 1940 to take over the Canadian business of the U. S. company which had been operating in Canada from 1926.

The Canadian company states that its affairs and activities are subject to inspection by the Municipal & Public Utility Board of Manitoba. The company is also registered with the Superintendent of Insurance of Ontario and of Saskatchewan, the Superintendent of Brokers of British Columbia, the Registrar of the Securities Act of Alberta and Quebec, and the Board of Commissioners of Public Utilities of New Brunswick. It is subject to and complies with the laws of these provinces which are applicable to it.

A monthly statement is filed by the company with the government of each province in which it is licensed. An annual statement is filed with the Municipal & Public Utility Board in Manitoba which also has the right to inspect books of account, securities, cash, documents, etc., and to make such other inspections as it deems necessary.

In accordance with the act incorporating the company, it maintains cash and qualified investments with an approved depository, Toronto General Trusts Corp., under a deposit agreement which provides that the assets deposited shall be equal to not less than 100% of the company's certificate liability and shall be held as security for the performance of the obligation of the company to the owners of its investment certificates. As a rule, investments of this company follow closely along the lines of those permitted to life insurance companies or trustees in Canada.

The company showed a marked increase in business in the last few years. Total assets were reported at $24,545,774 at December 31, 1948 as against $17,027,715 at December 31, 1947 and $12,701,637 at Dec. 31, 1946. Liabilities for contract reserves were $22,230,635 at Dec. 31, 1948 ($16,241,949 and $11,547,973, respectively).

Further growth has been shown this year. The Financial Post is told.

Of the total assets, the largest item is first mortgages on real estate of $14,658,409. This item showed a substantial increase during 1948 from $7,576,344 at Dec. 31, 1947. Investment in marketable securities totaled $8,727,269 at Dec. 31, 1948 ($8,830,448) and had a market value of $8,841,769 ($8,961,239). Cash on hand and in banks totaled $474,152.

A list of investments held at Dec. 31, 1948 indicates as follows:

Bonds	Book Value $
Dom. Govt.	1,262,314
Prov. & Prov. Guar.	558,668
Municipal	676,552
Pub. Utility, Indus. & other	4,533,093
Stocks	
Preferred	799,834
Canadian Banks	301,040
Common	595,769

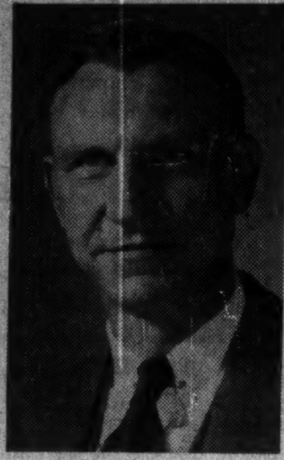
Harker Gold

I don't see shares of Harker Gold Mines quoted on the Toronto Stock Exchange any more. What has happened? Does the company still possess any assets?

We would advise that Harker Mines was delisted on Aug. 31. The shares are currently quoted at 1c-2c per share.

The company is a holding and prospecting company owning an inactive gold prospect consisting of 18 claims in Harker Township, Lightning River district of Ontario. Prior to 1930 shaft was sunk to 1,000 ft. on the property and lateral work carried out on the 250, 375, 500 and 1,000-ft. levels. The property has been inactive since 1929.

At last report, the company held 34,174 shares of Pickle Crow 183,333 shares of Jacola and 5,000 shares Greenlee Mines. At Dec. 31, 1948, cash amounted to $6,608 and market value of investments was reported to be $65,451. Current liabilities were $15,075.



DR. L. R. THIESMEYER

has been appointed president of the Canadian Pulp and Paper Research Corp., which operates the research institute sponsored jointly by the Canadian Pulp & Paper Association, McGill University and the Federal Government.

Mercury Mills

Would you please give me some information of the earnings position of Mercury Mills Ltd.? What is the company's present capitalization?

Mercury Mills Ltd. is one of the leading Canadian textile companies in its field and its record of earnings and management has been generally good. In common with most textile firms, however, it did experience losses for several years prior to the war. Earnings have shown almost constant increases since 1943 and in the year 1948 amounted to $520,770 as compared with $362,982 in the previous year, equal to $1.84 and $1.28 a common share respectively. The Post understands that sales in 1949 will be roughly comparable with 1948.

Stiff competitive conditions have returned to the Canadian market and this is heightened by sharp curtailments of the export market. The favorable economic health of the nation, however, and the high rate of employment keeps purchasing power at high levels. The company is now selling almost exclusively in the Canadian market.

The common stock was subdivided on the basis of three new shares for each old share held in December of last year and the authorized capital was increased by 200,000 shares to a total of 500,000 no par value common shares of which 283,650 shares were issued and outstanding. Funded debt position consists of an outstanding $675,000 in 4% serial first mortgage bonds due April 1, 1950-58, and $500,000 outstanding 4% sinking fund bonds due April 1, 1963. Working capital position at the end of 1948 stood at $1,909,945 as compared with $1,763,763 at the end of the previous year. This represents a ratio of current assets to current liabilities of 3.73-1.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BRANTFORD CORDAGE CO., Brantford, Ont., reports net profit of $230,383 for year ended Oct. 31, 1949, compared with $260,226 for the 14 months ended Oct. 31, 1948. Gross value of fixed assets increased by $42,272 during the year.

INCOME ACCOUNT

Years Ended Oct. 31:	1949	*1948
Net earnings	$403,183	$438,068
Less: Deprec.	22,800	15,842
Inc. tax res.	150,000	162,000
Net profit	230,383	260,226
Less: 1st pref. div.	40,273	52,010
Common div.	39,922	49,903
Surplus for year	150,188	158,313

*14 months.

Earnings per Share and Dividend Record:		
1st pref.: Earned	$7.49	$8.34
Paid	1.30	†1.62½
Com.: Earned	2.38	2.60
Paid	0.50	†0.62½

†5 quarterly dividends.

CONDENSED BALANCE SHEET

As at Oct. 31:	1949	1948
Cash	$1,129,406	$111,361
Accts. Rec.	162,874	250,022
Inventories	1,407,451	3,166,069
Total curr. assets	2,699,731	3,527,452
Prep. exp.‡	4,133	5,917
Fixed assets*	342,960	323,274
Total assets	3,046,824	3,856,643
Bank loan	......	800,000
Accts., tax, etc., pay.	163,797	330,150
Total curr. liab.	163,797	1,130,150
Capital stock	1,149,050	1,160,475
Surplus	1,733,977	1,566,018
*After depr. of	1,013,118	990,532
‡Incl. in curr. assets in cos. report.		
Working capital	2,535,934	2,397,302

TOWN OF OAKVILLE, Ont. new issue of $625,000 3% and 3¼% serial debentures due 1950 to 1969 has been sold by tender to Wood, Gundy & Co. and the Canadian Bank of Commerce at a cost to the town of about 3.23%. The 1950-56 maturities have been sold. The 1957-59 maturities are being offered to yield 3.15% and the 1960-69 maturities to yield 3.25%. Proceeds will be applied towards the cost of additions to a high school and towards assisting in erecting and equipping a public hospital.

CANADIAN CANNERS LTD. during November exchanged an additional 3,760 convertible preferred shares for an equal number of common, reducing number of convertible preferred outstanding to 254,396 and increasing common to 238,534.

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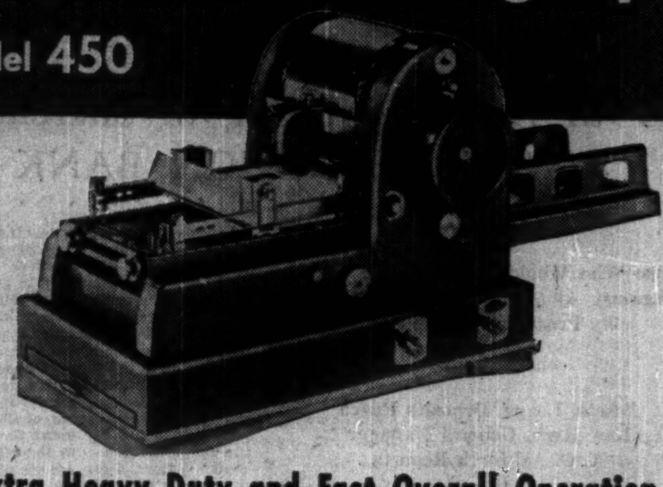

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Those Who Would be Free Must Guard Against Abuses, Shareholders Told by President Robert Rae

Assets, Loans, Deposits Reach New High, General Manager A. C. Ashforth Reports

A. C. ASHFORTH, GENERAL MANAGER ANALYZES BANK'S REPORT

I have much pleasure in presenting the Seventy-Ninth Annual Statement of the Bank.

Profit and Loss Account

Looking at our earning position you will observe that after making appropriations to contingency reserves, setting aside $835,000 for Government taxes and writing $395,475 off Bank Premises (which is $148,000 more than last year), the net profits were $1,001,195 with which to provide dividends amounting to $700,000—being at the rate of $1 per share. This leaves $301,195 to be added to Profit and Loss Account, which now amounts to $1,355,704. We have had to contend with higher operating costs, including salaries, and increased expenditures for repairs and alterations to premises. We trust, however, you will agree with us that the result of the year's operations has been satisfactory.

Strong Liquid Position

Our Cash Assets of $83 millions are $15 millions higher than last year and amount to 20.36% of liabilities to the public, while our Quick Assets total $249 millions. These include Dominion of Canada and Provincial Government bonds valued at $140 millions, as well as Negotiable Securities, Call and Short Loans against readily marketable Stocks and Bonds. The total is up $8 millions from a year ago and is the equivalent of 62.58% of Public Liabilities, indicating the maintenance of a highly satisfactory liquid position. The total assets have now reached the substantial amount of $426 millions.

Deposits Up Substantially

I am pleased to report that there has been a further satisfactory increase in deposits, which now total $388 millions, reflecting an increase of $30 millions. Demand deposits are up approximately $9 millions and deposits bearing interest $18 millions. A substantial increase in the number of depositors during the past year is recorded. The general over-all increase in Savings deposits in the Chartered Banks is ample evidence of the fact that Canadians are fully aware of the value of regular and systematic saving.

Notes of the Bank in Circulation

This is the last year in which figures relating to our Bank Notes will appear in our Statement. In accordance with regulations we must pay to the Bank of Canada in January next the amount of our outstanding note liability. With the disappearance of this obligation, the double liability clause which has characterized bank shares in the past is terminated.

Current Loans Increase

Our commercial loans are in substantially higher figures than a year ago, having increased almost $25 millions, and now total $157 millions. Grain loans are higher than a year ago and we have made increased advances, on selected risks, at a large number of Branches, due both to an expansion in the requirements of our customers and the acquisition of new borrowing accounts.

New Branches

During the year Branches were opened at the following points, all in Ontario:—

Atikokan
Steep Rock Lake (sub to Atikokan)
Cornwall
Port Arthur
Coxwell Avenue and O'Connor Drive, Toronto
Weston

Our sub-Branch at Gorrie became a full-time office.

Since the close of our fiscal year we have opened an office at Moncton, New Brunswick, an important business centre in the Maritimes and the second Branch in that province, as we have been established at Saint John for many years. We have also opened a Branch at Wilson Heights, a suburb of Toronto. A second branch in Edmonton will be opened within a day or two. We have in process of development eight more Branches which, when opened, will bring the total up to 156. It has been our policy to extend our representation across Canada as favourable opportunities arise, and in this connection you will be interested to know that a building on one of the best sites in Halifax was purchased recently with the intention of establishing a Branch there next Spring.

Bank Premises

As mentioned last year, we have had to make fairly large expenditures in modernizing and enlarging premises at a number of points where the growing needs of the business necessitated it. We are also keeping abreast of the modern trend in mechanization of bank routine, which entails considerable outlay for the necessary machines and equipment. Bank Premises Account now stands at $6,105,000.

It is the intention to proceed with enlargements and modernization wherever it is considered essential and, under this programme, substantial alterations are being made to our building at Ottawa. When completed this office will not only be adequately equipped to ensure efficient service to our customers, but in appearance will be a credit to the Bank in the capital city of Canada.

The construction of the new main office in Vancouver, to which reference was made last year, has been commenced and we hope to occupy the new premises by this time next year.

Staff

My remarks would not be complete without paying special tribute to the staff for their untiring efforts and the splendid co-operation they have given throughout the year. Since assuming my present position I have visited many of our Branches and have had the pleasure of meeting many Managers and other officers from near and distant points and, from personal experience, I can assure the shareholders, and customers as well, that their affairs are in good hands. It gives me great pleasure on your behalf and my own to extend to the staff sincere thanks for their loyalty to the institution and for the efficient service they have rendered. The measure of their labours is reflected in the Balance Sheet presented to-day. I should particularly like to acknowledge the invaluable assistance and support given me by the President, Chairman of the Board, Directors, Assistant to the President, and other officials of the Bank charged with the administration of the Bank's affairs. I can assure you that your Directors take a keen interest in the development and progress of the Bank and give generously of their time and efforts in furthering its interests.

I feel that the field of banking as a life work offers great opportunities to young men of good character. Few lines of endeavour give a greater measure of security of employment, and I have no hesitation in recommending to young Canadians this type of work.

General Business

The tempo of business generally has been very satisfactory this year and employment has been well maintained; however, business prospects are more difficult to forecast than has been the case for some time. There are in Canada to-day pockets of unemployment in areas where local industry and production, such as woods operations, have been curtailed because of reduced markets. It seems certain that the present level of exports cannot be maintained, and in all likelihood domestic consumption cannot be increased to a point where it will offset any surplus of goods that might arise from the loss of world markets. This country has become one of the world's largest producers of primary products—such as nickel, asbestos, aluminum, lead, zinc, copper, and pulpwood, etc.—as well as foodstuffs, and our economy will be affected by our ability, or otherwise, to sell these products abroad.

A year ago we felt that inventories in certain lines of business were somewhat heavy, but this situation is gradually improving due to the continued high level of consumer buying. This supporting strength has served to curb any downward spiral of prices, but it would seem advisable not to count too much on a continuation of the present volume of purchasing power. Sales have been maintained partly by greater instalment buying, made possible by the inducement of longer credit terms. A conservative policy in determining inventory requirements is more essential to-day than has been the case for several years.

On the credit side of the ledger, the condition of our domestic trade at the present time is quite satisfactory. There are still backlogs of orders in various industries and the large programme of construction scheduled for 1950 holds reasonable promise of maintaining a satisfactory level of employment. The expressed intention of the Dominion Government to assist financially in the construction of the Trans-Canada Highway encourages the belief that this will become an accomplished fact in the not too distant future and when the Provinces commence this project it will, of course, provide substantial employment. The benefits to be derived from a standard highway reaching from one end of Canada to the other cannot be overemphasized and the efforts to have more of our American friends spend their vacations in Canada would be greatly assisted by having first-class roads on which to travel.

In conclusion I should like to mention that the soundness of the Canadian Chartered Banks is due to efficient management under private enterprise, and the public may be assured that the Banks will continue to assist in the development of this country's resources and other worthy business projects whenever they conform to sound banking practice.

ROBERT RAE, PRESIDENT, DISCUSSES RE-VALUATION EFFECTS AND UNSOLVED TRADING PROBLEMS

At the last Annual Meeting Mr. C. H. Carlisle, who had been President since 1934, requested that he be relieved of that position and was elected Chairman of the Board. His fellow Directors would like to place on record their appreciation of his unfailing devotion to the welfare of the Bank. As you all are aware, Mr. Carlisle continues to take an active interest in every phase of its business; we are fortunate indeed in having the benefit of his wide knowledge and experience. I am grateful for the honour paid me by the Directors when they elected me to the Presidency.

Mr. A. C. Ashforth was appointed General Manager a year ago. Since entering the Bank in 1910, he has filled various important posts and the experience gained, coupled with his natural abilities, make him particularly well fitted for the position. Mr. Thomas Wilding, now Assistant to the President, is eminently qualified for the duties which devolve upon him.

The General Manager has commented on the Annual Statement and I have little to add to his remarks. I trust the Shareholders will view with satisfaction the results obtained. The business of the Bank shows steady growth; total assets, loans and deposits reached an all-time high.

There is uncertainty—for Canada—and for this Continent—in the markets of the world as European countries, which traditionally have been our export markets, struggle to make themselves self-reliant and seek to conserve dollars by making their purchases as far as possible in the Sterling Area.

Re-valuation Effects— Still Uncertain

Since the war we have seen the adoption of various schemes aimed to facilitate the economic recovery of Europe, and countries elsewhere, and to encourage multilateral trade among the nations. The demand from abroad for the products of Canada and the United States has been enormous during this period. The movement of goods from this Continent has largely had to be financed by the depletion of Dollar and Gold reserves and the making of gifts and loans as emergency followed emergency.

To achieve at least a partial solution there must be a much more substantial return flow of goods and services and we have recently seen in the general re-valuation of currencies, a fresh attack upon the problem. Our press and periodicals have since been filled with discussions and I need not enlarge upon them. Whether this latest step will be beneficial and achieve the result sought, will be apparent only after some time has passed; there is no doubt that re-valuation must be assisted by a removal of artificial restraints on trade, particularly by the United States, if the world's resources are to be developed efficiently.

Trading Problems Not Solved

The economy of our country produces important surpluses from large natural resources, coupled with high primary production and industrial capital equipment and skill; the problem of marketing those surpluses abroad must continue to receive the first consideration of the best minds in this country and in its Government. The known results for this year are reasonably encouraging in the face of the difficulties of which I have spoken. For the first nine months our exports to all countries—$2,146 millions—were down only about $12 millions from those in the same period last year. Our official holdings of gold and U. S. dollars appear to have been maintained at a satisfactory level of about $985 millions.

There are indications already that the United Kingdom will reduce purchases of Canadian eggs, bacon, newsprint and lumber during 1950 and this may result in new marketing problems and unsold surpluses.

The foregoing is not to imply that the immediate domestic situation is dark. Business in Canada has been affected by the growing difficulties of International trade but bears striking evidence of the extent to which Canada's productive capacity has improved in recent years. Generally speaking, production, trade and capital investment continue at levels above, or not far below, the high marks attained in 1948. Whether this will hold remains to be seen, but none of us doubt that the Canadian economy is in a good position to withstand some of the adverse influences to which it may be exposed.

Banking Services Show Expansion

The services of our Banks have been constantly employed by industry, agriculture and commerce in financing Canada's major expansion in plant construction, and in producing, handling and distributing a larger volume of goods at greatly increased price levels. One has only to compare current loans in Canada made by all Chartered Banks at the end of September this year, $2,184 millions, with the total at the end of September, 1948, $1,930 millions and in 1939, $891 millions, to appreciate the increasing use being made of the facilities of the Banks.

Development of Natural Resources Important

There are buoyant factors in our domestic economy which are significant and important, the chief being the expansion of oil production in Western Canada, one of the finest examples of free enterprise in this country's history. All the oil we can produce will find a ready market, either here or outside, and to the extent that production increases, our dependence on U. S. dollar imports is reduced. The same can be said in connection with the new developments of iron ore deposits in Ontario, Northern Quebec and Labrador. Another favourable feature is a considerable backlog of capital investment, plant construction and improvement.

Banks Enterprising and Efficient

We, in Canada, share with the United States the highest standard of living in the world—the result of free enterprise, for this is an area in which enterprise and individuals alike are freer than anywhere else. The Chartered Banks have developed progressively through the years and as new territories in Canada have opened up for settlement and development, the establishment of a branch bank has, in most cases, followed hard on the heels of the early settlers. As of September, 1949, there were 3,515 branches in Canada, which is an increase of 87 over the previous year. Coupled with the fact that a great number of branch banks were enlarged or modernized, I think this demonstrates that our Chartered Banks are indeed enterprising. I would like to give a few statistics dealing with the job the Banks are doing: At the end of 1948 the Banks were the bookkeepers in connection with over 7½ million accounts. On 30th September, 1949, deposits in Savings accounts totalled $4,411 millions and the total deposits were $6,915 millions. The monthly average of debits to individual accounts during the year ended August last amounted to no less than $7,068 millions, indicating that deposits are turning over at the rate of more than once a month as Canadians pay each other—in millions of transactions each month—for the services they render and the goods they produce.

These services are rendered to customers at a very low profit. In relation to each dollar of total assets, the ratio of profit was less than ¼ of one cent. I doubt if any other business operates as efficiently and renders comparable services on such a low margin. Collectively, the Banks lend to some 800,000 borrowing customers and well over 90% of the decisions in regard to these loans are made by the managers in the field within their own discretion. From this it is obvious that there is no undue concentration of economic power and that, by and large, banking activities are based upon the public interest.

Bank's Responsibilities

We are entrusted with people's savings and owe them an obligation of security, service and accommodation. Because of the position banks occupy in the economy of the nation we must conduct our affairs with a knowledge of their impact on the economic health of the whole country, co-operating with Government and its agencies, such as the Bank of Canada.

Bank credit differs from the credit extended by some other important lenders. Bank loans are made for short-term periods, and for primary, productive, processing and transportation purposes. The regular classification of loans laid before Parliament each year reveals the well-diversified range of our lending. Canadian Banks have never regarded loans for capital investment purposes as being in keeping with the essential principles of Canadian banking.

Profit "and Loss" System

Canada's business is conducted on a Profit "and Loss" system. No business fails if it is profitable. No business can long escape failure if it fails to make a profit. Every business failure means hardship for a number of people. It means that proprietors and employees lose their source of income. It sometimes means that a community loses an essential service. Such unfortunate results stem directly from absence of profit in a particular business and, even in Socialist areas, businesses have been closed and men thrown out of work when they fail to make a profit.

Those who condemn profits do so blindly and with no knowledge of what profits are nor of the disposition made of them. Profits furnish incentive and make jobs in a system of ordered free enterprise. The system is tried and proven and will not lightly be discarded for systems which are untried here.

Under this country's business and taxation systems profits cannot constitute an undue exaction upon the population; they merely provide a fair return on the capital invested and, in addition, reserves for those replacements of capital equipment which, in these days of higher labour and material costs, require much more money than ever before.

Ordered Freedom

Real freedom, which is the basis of our free enterprise system, must be ordered freedom under the rule of law. So it is in Canada. Those who would be free within these limitations can only maintain that freedom when business men, and others, are willing to fight for it and to so conduct themselves as to deserve it. Those who would be free must be responsible for guarding against abuses. Nothing is absolutely free. We all surrender something of absolute freedom to effect the rule of law in the common good.

The world to-day is in the throes of a great battle with the forces of Communism. These forces have already overcome and taken control of a large portion of Europe and Asia. They are doing their utmost to infiltrate and corrupt the remaining areas of the world. Their doctrine thrives upon discontent and disorder and its adherents do their best to promote and enlarge upon any rift in our democratic society.

As the Western world struggles to bind up its wounds and to correct maladjustments which have arisen as a result of the tremendous effort put forth to defeat Nazi-ism, it will require that all men of good-will unite to stamp out Communism and, in fact, any other "isms" which threaten our way of life. I am confident that Canada's free and highly individualistic people can be counted upon to do their part.

THE DOMINION BANK

Condensed Statement as at 31st October, 1949

ASSETS

Cash on Hand and in Banks, including Bank of Canada		$ 83,009,578
Government and Other Securities		158,481,399
Call Loans		7,564,633
Total Quick Assets		$249,055,610
Commercial Loans and Discounts		160,967,812
Bank Premises		6,105,351
Liabilities of Customers under Letters of Credit, Acceptances and Sundry Other Assets		10,509,211
		$426,637,984

LIABILITIES

Deposits		$388,605,051
Deposits by other Banks		8,476,778
Notes in Circulation		498,329
Letters of Credit, Acceptances and Sundry Other Liabilities		10,702,121
Total Liabilities to the Public		$408,282,279
Capital Paid Up	7,000,000	
Reserve Fund	10,000,000	
Undivided Profits	1,355,705	18,355,705
		$426,637,984

PROFIT AND LOSS ACCOUNT

Profits for the year ended 31st October, 1949, after making appropriations to Contingency Reserves, out of which full provision for bad and doubtful debts has been made	$2,231,670
Provision for depreciation of Bank Premises	395,475
Provision for Dominion and Provincial Taxes	835,000
Dividends at the rate of ten per cent per annum	700,000
Amount carried forward	301,195
Balance of Profit and Loss Account, 30th October, 1948	1,054,510
Balance of Profit and Loss Account, 31st October, 1949	1,355,705

ROBERT RAE, *President* A. C. ASHFORTH, *General Manager*

Employment and Payrolls In Ontario Economic Areas

Ontario's manufacturing payrolls are more than three times what they were in 1939, but some areas are doing better than others.

H. J. Chater, provincial statistician, gives the first of the "economic area" studies made by the Bureau of Statistics and Research, in the table published here. It is based on data from the Dominion Bureau of Statistics; will be published monthly.

Figures for Sept. 1 cover 536,050 employees in manufacturing in Ontario, representing 61% of total industrial employment in the province as represented by 8,263 larger firms.

Here are comparative figures for April 1 and Sept. 1, 1949.

Index Numbers of Employment and Payrolls as Reported by Leading Manufacturers in 18 Economic Areas in Ontario. 1939=100

Zone	Weight*	Date (1949)	Employment	Payrolls	Average Weekly Wages & Salaries $
1. Metropolitan (Halton, Peel, York)	34	Apr. 1	177.5	328.6	45.20
		Sept. 1	177.6	326.9	44.95
2. Burlington (Brant, Wentworth, Burlington)	13	Apr. 1	190.7	385.7	47.87
		Sept. 1	186.8	370.9	46.97
3. Niagara (Lincoln, Welland)	6	Apr. 1	190.0	388.3	50.21
		Sept. 1	191.0	378.5	48.70
4. Lake Erie (Haldimand, Norfolk)	1	Apr. 1	119.6	237.8	37.39
		Sept. 1	158.2	340.9	41.29
5. Upper Thames River (Elgin, Middlesex, Oxford)	5	Apr. 1	171.4	325.1	41.38
		Sept. 1	179.5	339.1	41.50
6. Border (Essex, Kent)	8	Apr. 1	197.8	380.7	50.99
		Sept. 1	213.8	405.9	50.30
7. St. Clair River (Lambton)	1	Apr. 1	242.9	392.7	54.84
		Sept. 1	255.3	412.2	54.79
8. Upper Grand River (Perth, Waterloo, Wellington)	9	Apr. 1	159.9	323.2	40.79
		Sept. 1	157.1	319.7	41.11
9. Blue Water (Bruce, Dufferin, Grey, Huron, Simcoe)	3	Apr. 1	183.6	385.9	35.92
		Sept. 1	181.0	373.1	36.19
10. Kawartha (Durham, Ontario, Peterborough, Victoria, Northumberland)	5	Apr. 1	183.4	391.9	47.65
		Sept. 1	185.0	391.8	47.16
11. Quinte (Frontenac, Hastings, Lennox and Addington, Prince Edward)	2	Apr. 1	280.2	608.1	40.27
		Sept. 1	307.4	651.3	39.38
12. Upper St. Lawrence (Dundas, Glengarry, Grenville, Leeds, Stormont)	3	Apr. 1	149.1	307.2	42.66
		Sept. 1	147.7	311.9	43.28
13. Ottawa Valley (Carleton, Lanark, Prescott, Renfrew, Russell)	4	Apr. 1	167.4	301.9	40.40
		Sept. 1	169.1	300.0	39.76
14. Highlands (Haliburton, Muskoka, Nipissing, Parry Sound)	1	Apr. 1	143.4	282.8	41.18
		Sept. 1	181.8	349.9	40.12
15. Clay Belt (Cochrane, Timiskaming)	1	Apr. 1	148.0	298.2	53.67
		Sept. 1	172.7	335.1	51.73
16. Nickel Range (Manitoulin, Sudbury)	2	Apr. 1	170.6	309.6	55.75
		Sept. 1	171.9	309.1	55.24
17. Sault (Algoma)	1	Apr. 1	176.2	340.8	53.58
		Sept. 1	184.4	351.0	52.72
18. Lakehead (Kenora, Rainy River, Thunder Bay)	2	Apr. 1	219.1	404.6	52.02
		Sept. 1	227.5	421.6	52.21
ONTARIO	100	Apr. 1	165.8	333.7	46.06
		Sept. 1	168.1	337.6	45.83

Employment and Payrolls as Reported by Leading Mine Operators in Ontario. 1939=100

Zone	Date	Employment	Payrolls	Average Weekly Wages & Salaries $
6. Border	Apr. 1	104.2	171.8	44.02
	Sept. 1	116.7	185.8	42.50
15. Clay Belt	Apr. 1	75.5	109.7	50.59
	Sept. 1	76.5	111.3	50.61
16. Nickel Range	Apr. 1	125.2	219.4	58.25
	Sept. 1	107.1	185.7	57.66
17. Sault	Apr. 1	181.1	320.1	57.38
	Sept. 1	189.0	311.3	53.48
18. Lakehead	Apr. 1	72.9	115.3	53.34
	Sept. 1	78.2	128.6	55.39
19. James Bay	Apr. 1	102.1	157.8	53.69
	Sept. 1	97.6	147.1	52.48

*Indicates the relative distribution of employees in the various zones in 1939.

5-story Oil Cracker Launched Like a Ship

New advances were chalked up by Canadian engineering and transportation with last week's delivery by Canadian Vickers of a giant 105-ton "regenerator" for Shell Oil's $12-million Montreal East refinery extension, under construction.

Described by Vickers as "the world's largest shop-fabricated vessel, from the world's largest enclosed shipbuilding yards," the regenerator was made completely in the plant and launched like a ship. (Normally, it would be put up piece by piece on the operational site. Until now, Vickers says, transportation problems have stood in the way of realized savings in time and cost that shop fabrication means.)

Here's how delivery was handled.

The big pear-shaped vessel was manoeuvred between the jaws of a 25,000-ton submerged drydock. As the drydock was raised, the regenerator settled on two specially built trailers which were also below the surface on the drydock floor. Thus it was carried five miles down the St. Lawrence river to the foot of Marien Ave., Montreal East.

From there the strange load was roaded three miles on another strange vehicle — a "team" of specially built trailers on 42 tires. Higher than a five-story building, wide as the average small house, the regenerator was laid lengthwise on the trailers. Even so, it needed clearance 32 feet high and 29 feet wide so hydro wires, even telephone poles in some places were taken down ahead of the parade. All along the route, steel plates covered weak spots in the roadbed.

Along certain sections, movement slowed to less than 100 feet in 20 minutes. Where the road tilt did not exceed nine degrees, progress was considerably faster. In all, the three-mile overland journey took less than two days.

As a precautionary measure, bulldozers accompanied the procession along the journey. At two right angle turns along the way, lines were thrown from the bulldozers to the top of the regenerator. Truck and trailers, regenerator and bulldozers then arced slowly around the turns.

The vessel will form an important part of the new catalytic-cracking unit now being erected at the Montreal East Shell refinery. Function of the regenerator in the "cracking process" is, as the name implies, to regenerate or revive the process catalyst. This is accomplished by blowing air through a fluidized bed of hot catalyst in the regenerator. The air burns the coke off the catalyst and, thus cleaned, it is ready to return again to the actual "cracking process."

TOWN OF LASALLE, Que., has sold $106,000 2¾% bonds due Nov. 1, 1950-59 and $144,000 3% due 1960-69 to McLeod, Young, Weir & Co., McNeil, Mantha Inc. and Banque Canadienne Nationale. Price was 96.81 for net cost to town of 3.276%. Proceeds are for waterworks, sewers, sidewalks, local improvements, etc. Net consolidated debt at Dec. 31, 1948, was $1,422,948; population, 8,387.

CITY OF ARVIDA Catholic School Commission has sold $336,000 2¾% bonds due Oct. 7, 1950-59 and $474,000 3% due 1960-69 to Dudley Dawson Ltd. and J. T. Gendron Inc. for price of 98.194 and net cost of 3.131%. Proceeds are for construction of a new twenty-classroom school and for purchase of St. George school and extensions to same. Net consolidated debt of the commission at June 30, 1949 was $83,000; population, 12,000.

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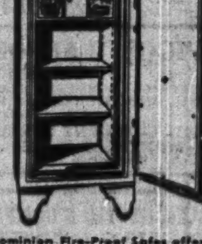

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Canadian Pacific

Chartered Bank Executives Discuss International, Domestic Problems

Importance of international trade to Canadian business and the part played by development of Canada's natural resources were stressed by bank executives at the annual meetings of the Canadian Bank of Commerce and the Dominion Bank this week. Business conditions in Canada in 1949 were generally described as satisfactory with the immediate outlook, indicating continuation of business activity on a fairly satisfactory level, although conditions are more varied than a year ago.

STANLEY M. WEDD, president, Canadian Bank of Commerce.

The most momentous of recent happenings is the devaluation which took place in mid-September last of the British pound, the Canadian dollar and the currency adjustments of about twenty-five other countries which are linked more or less closely with the Sterling Area. In all likelihood it will be weeks, or even months, before the full results of these various devaluation operations can properly be appraised.

The dollar issue today is probably less a dollar problem than a production and marketing problem. Devaluation is, in effect, an attempt to rectify a distorted balance of payments position arising from unfavorable trade developments. In the light of the many variable factors which must be satisfied before exchange depreciation can effectively check or reverse a trend in a country's balance of payments, it is perhaps more realistic to regard devaluation as a temporary expedient rather than a corrective. Should this recent step lead eventually to free convertibility of currencies, an objective much to be desired will have been accomplished. If, on the other hand, devaluation is nullified by continuous price adjustments then, from an economic point of view, the step will prove to be abortive.

The National Scene

Looking at our domestic picture, it may be noted that the national economy as a whole has continued at a high level. Conditions, however, have been more varied than was the case in 1948.

It cannot be stressed too often that our economy, and consequently our standard of living, is closely related to exports and imports. That a good part of the total earnings of our people comes from international trade makes our economy vulnerable to changes often generated outside our country. However, we are still faced with the problem of bringing into proper balance our trade with the Sterling Area and the so-called hard currency countries.

1949 a Good Year

All in all the year just closing has been a good one for Canada. Our trade generally has reached top figures and employment has been quite well maintained in most fields of endeavor. In so far as the immediate future is concerned I think it safe to conjecture that the coming year will bring satisfactory results in the aggregate. Competition is becoming increasingly vigorous both at home and from outside of our borders, but there is great enterprise in the Canadian people and given a reasonably stable world there is no basis for pessimism.

Canadian agriculture begins the 1949-1950 crop year in a strong financial position due in a large measure to continued high returns from the sale of farm products. Also, the disbursement this year of some $200 million by the Canadian Wheat Board as equalization payments following the retroactive increase in the price of wheat contributed to the currently buoyant position.

The great expansion of Canadian industry notably in the last decade, is a tribute to the enterprise of Canadian citizens. It is estimated that in the last ten years manufacturing capacity in Canada has increased by about 60%.

Mining and Oil

Today Canada is one of the leading producers of minerals and current production is valued at well over $800,000,000 per annum derived from about sixty different substances. . . Exports of all Canadian minerals, including fabricated products, have been about $500 millions and the distribution is quite wide. To complete the record of Canadian mining activity, mention must be made not only of production figures but of the widespread development programs in oil, iron and titanium.

The increase in the tempo of the development of the natural resources of the country, is undoubtedly of major importance to our economy. One can well envisage that, with our new oil potentials and the possibilities of substantially increased shipments of metals to the United States markets, the current deficit in our trade with that country should progressively decline and that, in due time, a shift in our pattern of trade may develop.

ROBERT RAE, president, The Dominion Bank.

Since the war we have seen the adoption of various schemes aimed to facilitate the economic recovery of Europe, and countries elsewhere, and to encourage multilateral trade among the nations. The demand from abroad for the products of Canada and the United States has been enormous during this period. The movement of goods from this continent has largely had to be financed by the depletion of dollar and gold reserves and the making of gifts and loans as emergency followed emergency.

To achieve at least a partial solution, there must be a much more substantial return flow of goods and services and we have recently seen in the general revaluation of currencies, a fresh attack upon the problem. Whether this latest step will be beneficial and achieve the result sought, will be apparent only after some time has passed; there is no doubt that revaluation must be assisted by a removal of artificial restraints on trade, particularly by the United States, if the world's resources are to be developed efficiently.

The economy of our country produces important surpluses from large natural resources, coupled with high primary production and industrial capital equipment and skill; the problem of marketing those surpluses abroad must continue to receive the first consideration of the best minds in this country and in its government.

Trading Problems Not Solved

There are indications already that the United Kingdom will reduce purchases of Canadian eggs, bacon, newsprint and lumber during 1950 and this may result in new marketing problems and unsold surpluses.

The foregoing is not to imply that the immediate domestic situation is dark. Business in Canada has been affected by the growing difficulties of international trade but bears striking evidence of the extent to which Canada's productive capacity has improved in recent years. Generally speaking, production, trade and capital investment continue at levels above, or not far below the high marks attained in 1948. Whether this will hold remains to be seen, but none of us doubt that the Canadian economy is in a good position to withstand some of the adverse influences to which it may be exposed.

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CHARLES O. MOON

has been appointed manager of the main Toronto branch of the Bank of Montreal.

BANK OF CANADA

	Dec. 8 1949 $	Nov. 30 1949 $
Liabilities		
Capital paid-up ..	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,291,628,918	1,283,026,700
Deposits: Dom. ..	54,039,288	27,211,502
Chart. banks ..	514,611,749	544,725,919
Other	83,927,703	84,125,463
Total deposits ..	652,578,740	656,062,884
Liabs. payable in sterling, U.S.A. and foreign gold currencies:		
(a) to gov. of Can.	88,813,644	71,616,986
(b) to other	21,788	21,788
Total	88,835,432	71,638,774
All other liabs. .	28,423,606	30,091,062
Total liabs.	2,076,517,063	2,055,869,787
Assets		
Sterling & for'n .	83,393,886	66,138,774
Other curr.	58,454	58,060
Total	83,393,886	66,196,834
Subsid. coin	119,148	116,592
Investments:		
Gov. sh. term .	1,710,846,001	1,713,911,376
Oth. gov. sec. .	222,495,418	221,467,426
Other secs.	5,500,000	5,500,000
Total invest.	1,938,841,419	1,940,878,802
Total share cap. at cost	25,000,000	25,000,000
Premises	3,879,657	3,879,657
All other assets .	25,282,953	19,797,902
Total assets	2,076,517,063	2,055,869,787

UNION MINING CORP. plans a series of three drill holes on its former Auriac property with contract let for between 2,000 and 2,500 ft. of further drilling. No important results have been reported from drilling on the Numaque property, although low sludge values were reported in one hole.

STANDARD PAVING & MATERIALS: An additional 12,609 preferred shares have been surrendered for conversion into 25,218 common shares, reducing number of preferred outstanding to 62,056 and increasing common to 161,240 shares.

Benefits Over $154 Millions Paid Canadians in Nine Mos.

Life insurance companies operating in Canada paid out to Canadian families, benefits totalling $154,937,000 in the first nine months of 1949, the Canadian Life Insurance Officers Association states.

Of the total, about $59.5 millions was in death and accidental death claims, and about $95,430,000 in payments to living policyholders. Payments to living policyholders, about 60% of the total, included $24,661,000 in matured endowments, $2,838,000 disability benefits, $5,289,000 annuity payments, $35,205,000 surrender values, and $27,435,000 dividends to policyholders.

The association states that a total of $116,300,000 was paid out on ordinary life policies, $24,020,000 on industrial policies and $14,616,124 on group life certificates. Policies involved in death claims and matured endowments totalled 97,900, of which nearly 31,000 were ordinary life policies, 60,000 were industrial policies and 6,000 were group certificates.

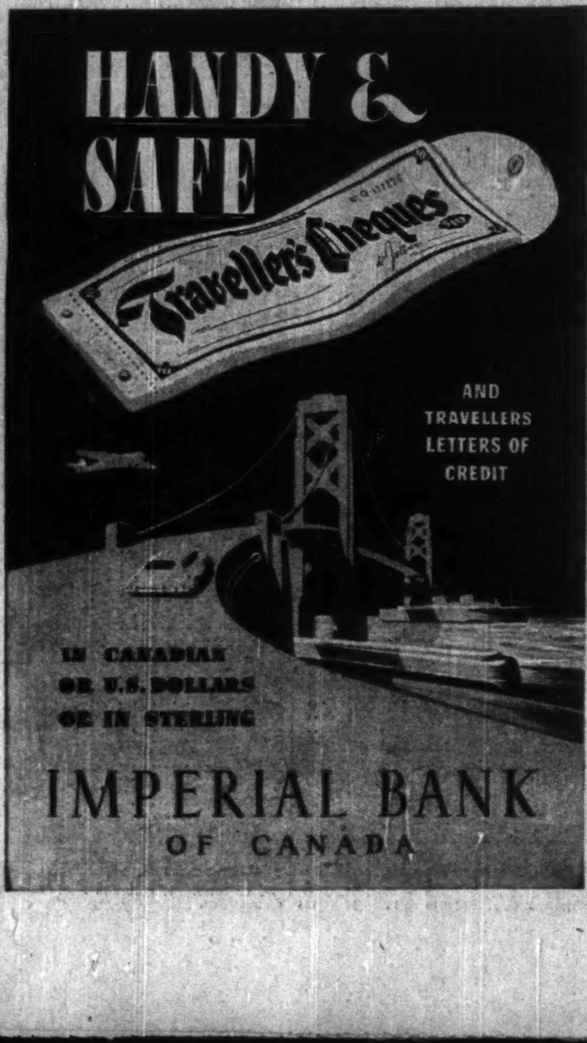
Imperial Bank To Open Seven Islands Branch

Imperial Bank plans to open a new branch at Seven Islands, Quebec. Seven Islands will be the St. Lawrence port for the new mining district on the border of Labrador where extensive iron deposits are being developed.

CANADIAN BRONZE CO. has declared a dividend of 32c per share plus an extra of 50c per share on the common stock, both payable Feb. 1, 1950, to shareholders of record Jan. 10. This brings total payments for the 1949 fiscal year to $1.75 per share. Dividends paid for 1948 comprised $1.50 on the old stock before the 2-for-1 split and 50c on the new stock (corresponding to a total of $1.25 on the new stock).

GIANT YELLOWKNIFE GOLD MINES reports production of $249,924 in November from 11,328 tons of ore milled with average recovery of $22.06 a ton and average milling rate of 378 tons daily. During the period there was a 34-hour shut down for relining No. 1 ore crusher. No. 3 shaft was sunk to a depth of approximately 100 ft. below shaft collar during the month.

WATEROUS LTD. has declared a dividend of 10c per share on the common stock, payable Jan. 16, 1950, to shareholders of record Dec. 30. This brings total payments for the 1949 fiscal year to 60c per share, compared with 80c per share in 1948.



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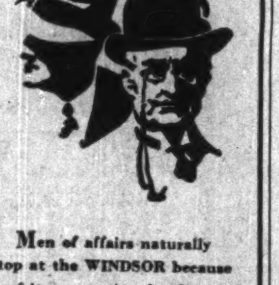


Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE Windsor

ON DOMINION SQUARE

J. ALDERIC RAYMOND, PRESIDENT

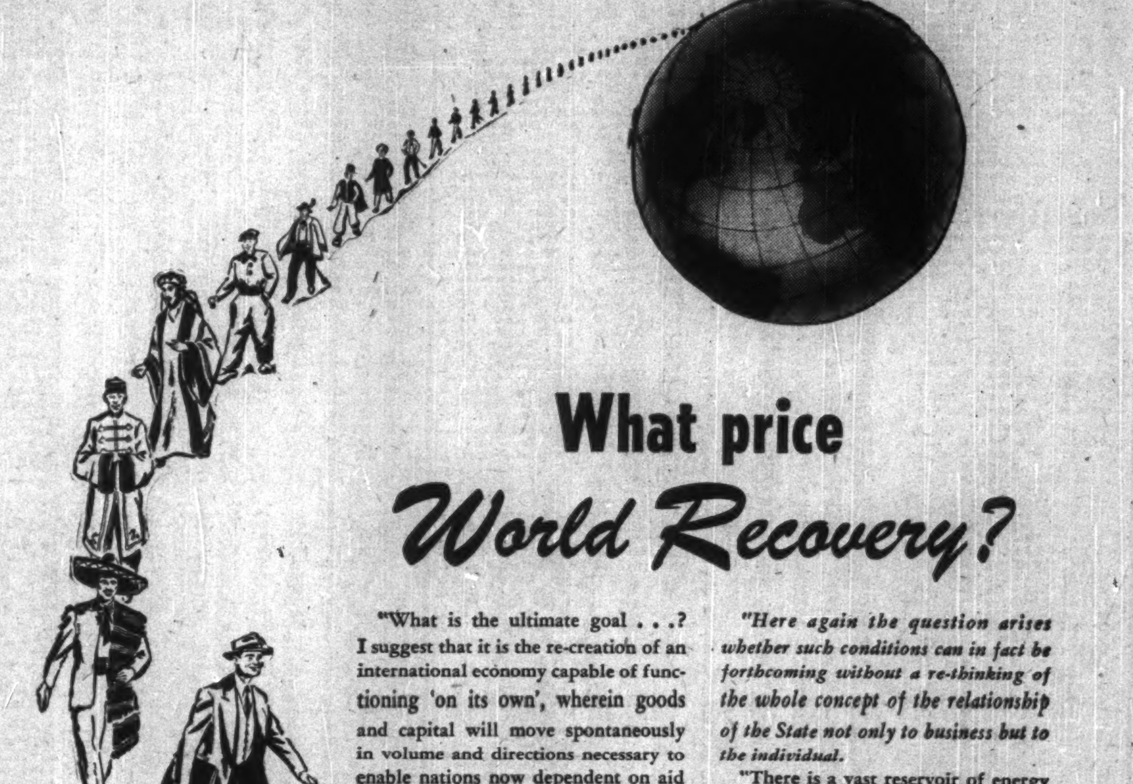
Mr. Santa Claus
—that's me!

As a Christmas shopper I'm tops. I never make a mistake. My gifts to friends and relatives are always exactly what they want. My secret? Listen . . . I send Royal Bank Money Orders, with a personal card of course. They get the cash and buy just what they want. That makes everybody happy. Best of all, I can buy Royal Bank Money Orders for as little or as much as I like, an important consideration these days. So if Christmas shopping gets you down, try my simple solution. Your nearest Royal bank branch will be glad to co-operate.

Send a Gift of Cash—Use Royal Bank Money Orders.

"You can bank on the ROYAL"

THE ROYAL BANK OF CANADA



What price *World Recovery?*

"What is the ultimate goal . . .? I suggest that it is the re-creation of an international economy capable of functioning 'on its own', wherein goods and capital will move spontaneously in volume and directions necessary to enable nations now dependent on aid to become self-supporting.

"Such a goal cannot be reached overnight, and progress toward it will require a high degree of international co-operation in an atmosphere of understanding and goodwill . . . If a new balance of forces is to be achieved, it can come about only through the activities of countless individuals with the network of their transactions ever crossing and re-crossing international boundary lines.

"Here again the question arises whether such conditions can in fact be forthcoming without a re-thinking of the whole concept of the relationship of the State not only to business but to the individual.

"There is a vast reservoir of energy releasable for recovery in the incentives which impel the individual to improve his position in life, which stimulate adaptability and inventive genius, and which encourage the development of new processes, products and markets. The great task of the present is to provide an environment in which these fundamental and powerful forces may once more be put fruitfully to work."

B. C. GARDNER,
President.

This is a quotation from the address of the President of the Bank of Montreal, at the Bank's recent annual meeting. If you would like to receive, on publication, a free copy of the complete annual report carrying this address, write to the Bank of Montreal, P.O. Box 6002, Montreal.

"MY BANK" TO A MILLION CANADIANS B of M

BANK OF MONTREAL
Canada's First Bank

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

AMD21

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING DECEMBER 9

Range 1949 High	Range 1949 Low	Div. Rate $	Dec. 9 Yield %	Company	Sales	Last Dec. 2	Week end. Dec. 9 H	L	Cl'se
23¼	9½	s1.00+a.25		Abitibi	9452	[illegible]	22	21½	[illegible]
22½	16	1.50	6.7	Do. $1.50 pf.	7350	[illegible]	22½	[illegible]	[illegible]
25	19½	1.00+B1.12		Acadia At. A	2040	24½	[illegible]	[illegible]	[illegible]
104	98½	5.00	4.8	Do. 5% pref.	210	103½	103½	103¼	103¼
15	7	s.50	...	Acme Glove	10	7¼	8	8	8
14½	12		...	Algoma Steel	10400	12½	14½	12½	14
27	25	1.00	3.8	Alum. of Can. p	330	[illegible]	27	[illegible]	[illegible]
61¼	40½	s2.00	...	Aluminium N	12354	57½	[illegible]	57½	[illegible]
9	6½		...	Amal. Electric	120	8	8	7½	8
7½	4	s.40	...	Andian Nat.	20	8½	8	8	8
48½	42	2.25	4.7	Ang Can Tel p	170	47½	47½	47½	47½
7½	5½	.60	8.6	Argus	950	7½	7½	7	7
78	61	4.50	5.8	Do. 4½% pf.	85	77	78	77	77
.25	.10		...	Do. Warr.	4000	.10	.15	.10	.10
26½	20	1.20+s.40		Asbestos	1290	25	25	24½	24½
14	10½	.60	4.2	Ashdown Hdwe	210	14	14	12½	14
40	35		...	Assoc. T & TA	5	35	40	40	40
112	81	ss5.16		Do. pref.	10	105	112	112	112
12½	7½	s.75	...	Atlas Steels	3015	7½	7½	7½	7½
104½	103	5.50	5.3	Ault & Wib pf	5	103½	104	104	104
10	5½	.60+s.30		Auto Fabric A	105	7	7	7	7
5½	3½	.40	10.0	Do. (B)	100	4	4	4	4
21	19½	.80	4.0	Bk. Can. Nat.	232	20½	20½	20½	20½
28½	25	.80+†.20		Bk. Montreal	2789	27½	28½	27½	28½
39½	34	1.40	4.8	Bk. N. Scotia	2008	[illegible]	[illegible]	[illegible]	[illegible]
40	35	1.20+s.20		Bk. Toronto	1245	37	37½	37	37½
23½	17½	1.50+s1.12½		Bathurst PrA	2282	22	23½	22½	23½
6½	3	s.25	...	Do. (B)	100	6	5½	5½	5½
14½	12	1.00	7.0	Beatty Bros.	295	14½	14½	14½	14½
31	20	1.00+s1.20		Beaver Lumb.	50	31	31	31	31
19½	17½	1.00	5.4	Do. (A)	20	18½	18½	18½	18½
165	160	6.00+†1.00		Belding Cort.	100	165	165	165	165
10½	8	.60	7.1	Belgium Glove	100	8	8½	8½	8½
43½	38½	2.00	4.9	Bell Telephone	11491	41	41½	40½	41
8½	5	.20	3.3	Bertram & S B	300	5½	6	6	6
2½	2	s.10	...	Bickle-Seag.	1000	2	2	2	2
26½	15	1.60	8.2	Biltmore Hat A	30	16	16	16	16
14	9½		...	Blue Ribbon	5	14	12½	12½	12½
1.25	.20		...	Brand & Mill.	27600	.20	.35	.35	.35
12½	8½	.50	4.0	Brant. Cord.	80	12½	12½	12½	12½
21½	17½	2.00	10.4	Brazilian Tr.	13810	18½	19½	18½	19½
17	13	.60+s.30		Brew. & Distil.	415	15	15	15	15
23	20½	1.00	4.8	Bright, T. G.	25	21	21	21	21
16	12	s.80	...	Br Am Bk N's	30	15	15	15	15

Range 1949 High	Range 1949 Low	Div. Rate $	Dec. 9 Yield %	Company	Sales	Last Dec. 2	Week end. Dec. 9 H	L	Cl'se
20	15	1.00	10.5	Wool Combing	138	13	15½	15½	15½
7½	6½	.40	6.2	York Knit. A	100	6½	6½	6½	6½
3½	1½		...	Do. (B)	200	2½	2½	2½	2½
34½	30	2.00+1.50		Zellers	186	32½	32	32	32
26½	24½	1.25	4.7	Do. 5% pref.	15	25½	26½	26½	26½
30½	27½	1.50	5.4	Do. 6% pref.	31	29½	29½	29	28

*On arrears. ♦N. Y. funds. ♦♦Participating div.
*Net after income taxes. •Dividend deferred.
♦After stock split. sPaid or payable in 1949.
‡Plus extras. ‡Plus payments on arrears.
†Payable in 1950. ‡Paid in 1948.

Mining Stocks

Week Ended December 9

Range 1949 High	Range 1949 Low	Div. Rate $	Dec. 9 Yield %	Company	Sales	Last Dec. 2	Week Ending Dec. 9 High	Low	Close
.85	.55	.....	....	Akaitcho	1,300	.70	.66	.66	.66
.27	.12	.....	....	Amal. Lard.	9,000	.18	.20	.18	.18
.65	.25	.....	....	Amer. Nepb.	4,300	.34	.39	.33	.39
.20	.07½	.....	....	Amer. Y. K.	6,000	.09½	.09½	.08	.09½

Oil Stocks

† N. Y. funds. s Extra. ¹ Paid or payable in 1949. ‡ Paid in 1948.
‡ Capital Distribution. † Payable in 1950.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Dec. 12	294,400	959,000	41,717	26,243	2,120,000
Dec. 10	111,400	561,000	50,305	14,850	790,000
Dec. 9	123,900	702,000	53,435	56,616	1,820,000
Dec. 8	177,000	1,107,000	54,305	44,679	2,150,000
Dec. 7	223,300	1,178,000	56,192	67,299	2,070,000
Dec. 6	252,100	1,482,000	18,823	53,798	1,900,000

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	Dec. 9 Bid	Ask
Holt Renfrew	...	.25	..	..
Do. pref.	..	100	102	..
Hubbard Felt	s.25	4	..	5
Do. A pref.	1.50	15	..	20
Humberstone S.	s1.50	26	22	25
Hunts B	†.10	6	6	8
Huron & E. Mt. 20% pref.	5%	22	22½	..
Imp. Varnish pf.	1.50	31½	30½	..
Ingersoll M. & T.	.50	7½	7½	8½
Inter'c. Coal	s3.00	30	25	30
Do. pref.	8.00	115	15	..
Int. Coal & Co.	.01½	.25	.21	.25
Int. Metal Ind. pf.	4.50	101½	101½	103
Int. Mill. pref.	s4.00	90	99½	105
Int. Nickel pref.	♦7.00	148	147½	..
Do. $5 pref.	..	7½	..	..
Int. Pap. pref.	♦4.00	113	111½	112½
Invest. Found.	..	9½	10	11
Do. pref.	6.00	50	50	52
Jam. Pub. Ser.	1.00	12	11½	12
Do. pref.	7.00	104	..	107
Langleys	..	1.40	1.00	1.50
Do. pref.	s1.00	52	48	51

BUSINESS BAROMETER

	DEC.	NOV.	OCT.	SEPT.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	....	175.6	189.4	181.2
Dom. total rev.	....	....	201.7	174.0	218.5
MERCHANDISING					
sDept. store sales (3)	+8	+7	+1	+8	....
Country store sales (3)	....	....	....	—3.8	....
Retail store sales (3)	....	....	....	+7.2	....
Wholesale sales index (1)	....	....	....	333.3	327.0
FINANCE					
Dividend payment index (1) (5)	....	213.4	215.2	213.3	203.0
Money supply (millions $)	....	....	....	4,307	4,153
NEWSPRINT CAPACITY					
Production ratio (7)	....	....	100.8	100.6	106.0
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	149.9	154.7	162.5
Cars (D.B.S.) (1)	....	....	140.3	144.5	147.2
COST OF LIVING					
D.B.S. (1)	....	161.7	162.2	162.3	159.6
EMPLOYMENT INDEX					
All industries (6)	....	....	203.8	202.1	203.3
sPayrolls (June 1/41=100) (2)	....	....	223.1	221.4	214.7
MANUFACTURING					
Inventories (1947=100)	....	....	....	130.3	128.7
Employment (6)	....	....	208.5	209.2	210.0

	1949	1948	1949 Jan. 1 to date	1948 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
sCarloadings (week Dec. 3)	77.7	81.3	3,645.0	3,776.9	—3.5
C.N.R. gross rev. (Oct.)	43,349	46,880	410,882	401,438	+2.4
C.N.R. net rev. (Oct.)	3,064	8,624	11,452	13,406	—14.6
C.P.R. gross rev. (Oct.)	33,252	34,453	306,965	290,040	+5.8
C.P.R. net rev. (Oct.)	4,500	5,072	13,003	11,456	+13.5
IRON AND STEEL PRODUCTION (000's omitted) (Oct.)					
Pig iron production (tons)	196	186	1,825	1,780	+2.5
Steel production (tons)	259	282	2,663	2,643	+0.8
CONSTRUCTION (000's omitted)					
Contracts awarded (Oct.)	88,307	70,321	901,387	815,058	+10.6
Cement prod., bbls. (Sept.)	1,420	1,224	11,932	10,298	+16.1
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Oct.)	1,850	1,901	16,336	18,680	—12.6
Flour exp., bbls. (Oct.)	744	1,260	8,123	10,242	—20.7
Wheat exp., bush. (Oct.)	18,556	16,062	160,176	166,258	+...
sCattle sales (Nov.) (4)	209.0	245.3	1,665.9	1,748.8	—4.7
sHog sales (Nov.)	314.2	397.9	3,804.5	4,322.7	—12.0
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Oct.)	124.1	114.2	989.8	1,045.3	—5.3
Landed value (Oct.)	4.1	6.2	47.4	53.5	—11.4
NEWSPRINT (000's omitted)					
Production (Oct.) (7)	438	435	4,325	4,100	+4.7
Exports tons (Oct.) (7)	405	392	3,992	3,831	+4.2
MINING AND OILS (000 omitted)					
Coal prod. (tons) (Oct.)	1,960	1,811	15,038	14,717	+2.2
sGold prod. (fine oz.) (Sept.)	324	293	3,012	2,584	+16.6
Petroleum prod. (bbl.) (Aug.)	1,971	1,343	13,330	7,540	+76.6
ELECTRICAL POWER OUTPUT (000,000 omitted) (Sept.)					
Total monthly kwh.	3,753	3,590	34,744	33,408	+3.8
FOREIGN TRADE (millions of $)					
Imports (Sept.)	221.6	221.7	2,073.9	1,933.3	+7.3
Exports (Oct.)	268.1	267.6	2,413.1	2,463.1	—2.0
FINANCE (millions of $)					
Bank debits (Oct.)	8,328	7,654	76,618	84,865	+8.9
Bond sales (Oct.)	354.4	768.9	3,892.6	4,372.7	—11.0
Life insurance sales (Oct.)	108.5	100.9	1,025.6	974.1	+5.3
OTHER INDUSTRIAL FACTORS					
Shoe prod. (Sept.) (000)	3,377	2,811	27,545	23,700	+16.2
Cigarette cons. (000,000) (Oct.)	1,448	1,429	18,233	17,049	+6.9

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, etc.
(6) Base period 1926=100.
(7) Includes Newfoundland.
sNew item for week.

RECORD OF FINANCING

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

PROVINCIAL

Province of British Columbia—3% sinking fund debentures, due Dec. 15, 1969, $11,000,000, dated Dec. 15, 1949. Offered at 99 and accrued interest to yield 3.07% by Mills, Spence & Co. Ltd., Bell, Gouinlock & Co. Ltd., McLeod, Young, Weir & Co. Ltd., McMahon & Burns Ltd. and Bank of Montreal.

Village of Pouce Coupe, B.C. (Guaranteed by Province of B. C.)—3½% debentures, due July 3, 1950-69, $60,000, issued Nov. 26, 1949. Sold at $102.26 to Pemberton & Sons.

MUNICIPAL

City of Ottawa, Ont.—2%, 3¼%, 2¾% and 3½% serial debentures, due Jan. 1, 1950-69, $2,242,300, issued Dec. 6, 1949. Sold at $101.412 to R. A. Daly Co. Ltd., Bank of Nova Scotia, Anderson & Co., Cochran, Murray & Co. Ltd., Midland Securities Ltd. and Flemming & Co.

District of Kent, B.C.—3¼% debentures, due Dec. 31, 1950-60, $33,000, issued Nov. 22, 1949. Sold at $101.26 to Bank of Montreal.

City of Joliette, Que. — 3% and 3¼% debentures, due Nov. 1, 1950-59-69, $125,000, issued Nov. 28, 1949. Sold at $97.72 to Dudley, Dawson Ltd. and J. T. Gendron Inc.

City of Verdun, Que.—2¾% and 3% debentures, due Nov. 1, 1950-59-69, $222,000, issued Nov. 28, 1949. Sold at $96.823 to L. G. Beaubien & Co. Ltd. and Banque Canadienne Nationale.

City of Belleville, Ont. — 3¼% debentures, due Dec. 1, 1950-69, $138,000, issued Nov. 29, 1949. Sold at $101.729 to Bank of Commerce and J. L. Graham & Co. Ltd.

Town of Dorval, Que. — 3% and 3½% debentures, due Sept. 1, 1950-59-69, $104,500, issued Nov. 30, 1949. Sold at $98.42 to Rene-T. Leclerc Inc.

Town of Lasalle, Que. — 2¾% and 3% debentures, due Nov. 1, 1950-59-69, $250,000, issued Nov. 30, 1949. Sold at $96.81 to McLeod, Young, Weir & Co. Ltd., McNeil, Mantha Inc. and Banque Canadienne Nationale.

School Commission of Addington, Que.—3½% debentures, due Oct. 1, 1950-69, $11,000, issued Nov. 30, 1949. Sold privately at $96.10.

Village of Bois-des-Filions, Que.—3½% debentures, due Dec. 1, 1950-65, $25,000, issued Nov. 30, 1949. Sold privately at $98.04.

Village of Boucherville, Que.—3% debentures, due Nov. 1, 1950-69, $42,500, issued Nov. 30, 1949. Sold privately at $100.

School Commission of Notre-Dame-des-Laurentides, Que.—3½% debentures, due July 15, 1950-59, $11,000, issued Nov. 30. Sold privately at $98.50.

Village of Pont-Rouge, Que.—3½% debentures, due Oct. 1, 1950-69, $6,300, issued Nov. 30, 1949. Sold privately at $97.50.

Dissentient Catholic School Commission of St. Dunstan, Que.—3½% debentures, due July 1, 1950-59, $7,000, issued Nov. 30, 1949. Sold privately at $98.25.

Parish of St.-Jacques-de-Parisville, Que. —3½% debentures, due July 1, 1950-69, $42,000, issued Nov. 30, 1949. Sold privately at $100.

Village of St.-Marc-des-Carriers, Que.—3% and 3½% debentures, due July 1, 1950-54-69, $57,000, issued Nov. 30, 1949. Sold privately at 100.

City of Halifax, N.S. —3%, 3¼% and 3½% debentures, due Jan. 3, 1951-55-60-65-70, $2,000,000, issued Dec. 1, 1949. Sold at $100.239 to Wood, Gundy & Co., Royal Bank, Bank of Montreal, A. E. Ames & Co. Ltd., Eastern Securities Ltd., Stanbury & Co. Ltd. and Cornell, MacGillivray & Co.

Town of Ingersoll, Ont. — 3¼% debentures, due Dec. 15, 1950-69, $300,000, issued Dec. 1, 1949. Sold at $100.875 to Dominion Securities Corp. Ltd. and Bell, Gouinlock & Co. Ltd.

Town of Victoriaville, Que.—2¾% and 3% debentures, due Oct. 1, 1950-59-69, $215,000, issued Dec. 1, 1949. Sold at $97.85 to Geoffrion, Robert & Gelinas Inc. and McTaggart, Hannaford, Birks & Gordon Ltd.

Township of Cornwall, Ont.—3½% and 3¾% debentures, due Jan. 2, 1950-59-69, $817,860, issued Dec. 1, 1949. Sold privately to Harrison & Co., Bankers Bond Corp., J. L. Graham & Co. Ltd. and Goulding Rose & Co.

Town of Oakville, Ont.—3% and 3¼% serial debentures, due 1950-69, $625,000, issued Dec. 1, 1949. The 1950-56 maturities have been sold. The 1957-59 maturities are being offered to yield 3.15% and the 1960-69 maturities to yield 3.25% by Wood, Gundy & Co. Ltd. and the Canadian Bank of Commerce.

Township of Barton, Ont.—3½% serial debentures, due 1950-64, $35,000, issued Dec. 1, 1949. The 1950-59 maturities are being offered to yield 3.25% and the 1960-64 maturities to yield 3.30% by Wood, Gundy of Co. Ltd.

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	Dec. 9 Bid	Ask
Levy Bros.	1.10	4½	5	..
Loew's Theatres	4.00	70	70	..
London Can. Inv.	s2.00	90	70	..
London Hose	.80+s.25	5½	5½	6½
Mackin Steel	..	11	7½	11
Do. pref.	8.00	90	90	..
Mailman Corp. pf.	5.00	94½	..	97

	Div. Rate $	Last sale	Dec. 9 Bid	Ask
Wood, A. & J. P.	7.00	115	115	120
Woods Mfg. pref.	1.60	30	25	35

‡Plus extras. sPaid or payable in 1949. *On arrears. ♦N. Y. funds. *Net after income taxes. •Dividend deferred. ♦After stock split. ‡Plus payments on arrears. ♦♦Participating div. †Payable in 1950.

Mining Stocks

OIL STOCKS

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

‡Callable on or after earliest maturity shown & payable at maturity at 101.
†Callable on or after Sept. 15, 1966. ‡Payable Can. or N. Y.
●Payable Can., N. Y. or £. *Callable at a premium.

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. and Intercity Securities Ltd.)

Dec. 12, 1949

	Bid	Ask
Allens Toronto units	42.00	....
Anglo Can. Tele. A	10.25	11.25
Do. pfd.	46.50	48.50
Beauharnois L. H. & Pr.	19.25	20.00
Beauharnois Power	7.00	....
Brinton Peterboro Carpet	97.00	....
British Mtge. & Trust	102.00	....
B. C. Sugar	88.00	....
Brockville Trust $50 par	60.00	....
Can. General Invest.	17.50	18.00
Can. Invest. Fund	4.95	5.40
Can. Invest. Corp.	8.00	8.75
Can. Motor Lamp	12.50	13.50
Can. West. Nat. Gas pfd.	18.25	19.50
Capital Wire Cloth com.	14.00	....
Cawthra Apts. units	16.00	....
Chase A. W. units	53.00	56.00
Colonial Steamships com.	122.50	....
Commercial Finance com.	17.00	....
Commercial Life 10% pd.	10.00	....
Commonwealth Inter. Corp.	3.57	3.92
Confed. Life 20% pd.	185.00	....
Cons. Div. St. Sec. pfd.	15.00	17.00
Continental Life 20% pd.	45.00	....
Cooksville A	10.50	12.00
Do. B	4.00	8.00
Corporate Investors	8.71	9.42
Cuban Can. Sugar com.	5.00	6.00
Detroit Internat. Bridge	18.00	19.00
Dover Industries Ltd.	9.50	10.50
Dunlop Tire pfd.	24.75	26.00
Dupuis Freres pfd.	23.50	25.00
Empire Life Ins. 25% pd.	17.00	19.00
Do. 20% pd.	14.50	....
Foreign Power Co.	6.00	8.00
Galt Brass com.	30.00	33.00
Goderich Elev. & Trans.	16.00	17.00
Great West Life	455.00	470.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. A.	383.00	418.00
Gurney Foundry com.	50.00	....
Halifax Insurance	....	12.00
Hart Battery com.	8.00	9.00
Imperial Life	340.00	380.00
Lambton Loan $50 par	81.00	85.00
Laprairie com.	2.00	4.00
Do. pfd.	25.00	....
Loblaw Groc. Inc.	21.25	22.25
Manufacturers Life Ins.	340.00	365.00
Monarch Life 40% pd.	133.00	....
Mountainview Apts. pfd.	25.50	....
Nat. Drug & Chem. com. N.	8.50	9.25
Do. pfd.	11.00	13.00
N. B. Telephone	11.00	12.00
Northern Tel. com.	1.70	2.00
Ont. & Que. Rly. 5% c. stk.	141.00	....
Ont. Tobacco Hold. pfd.	5.50	....
Peller Brewing com.	1.75	2.75
Do. pfd.	15.50	18.00
Provincial Bank of Canada	16.00	16.75
Prudential Trust	11.00	....
Ritchie Cut Stone pfd.	8.00	....
Sawyer Massey com.	2.75	3.50
Sec. Stand. Royalties pfd.	.04½	....
Seiberling Rubber com.	5.00	7.00
Sincennes McNaught. Tugs	2.00	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% pd.	48.00	....
Standard Fuel pfd.	35.50	....
Do. com.	2.00	4.00
Sun Life Assce.	505.00	520.00
Third Can. Gen. Inv.	3.75	4.10
Toronto General Ins.	6.00	....
United Farmers Co-op.	2.00	....
United Steel A pfd.	24.00	25.50
Victoria Trust & Svgs.	135.00	....
Waterloo Manuf. com.	6.00	7.50
Western Assur. com.	70.00	....
Western Grain pfd.	21.00	23.00

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.3	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	238.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.8	84.4	70.8	205.7	111.9	274.4	139.6	109.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	273.7	136.3	107.4	132.4	113.5	105.3
June	194.7	210.8	85.5	63.8	196.0	111.8	273.3	131.4	104.1	131.0	109.2	99.6
July	198.8	221.4	89.6	66.6	202.2	112.9	292.4	137.0	108.4	130.7	114.3	104.2
Aug.	209.5	230.6	90.2	68.8	204.6	114.6	306.7	140.0	111.2	133.3	119.5	108.2
Sept.	213.1	240.1	93.0	68.9	204.8	116.0	312.5	143.0	112.8	135.2	122.7	109.6
Oct.	221.4	259.0	95.8	75.4	206.4	122.0	329.6	151.4	111.7	139.8	121.9	114.3
1949: Weekly Figures:												
Nov. 3	228.9	269.9	95.7	78.3	210.8	121.3	334.6	157.6	114.0	141.8	121.4	116.3
Nov. 10	228.3	272.2	96.4	83.8	215.6	123.1	333.0	159.5	111.7	141.6	121.8	118.3
Nov. 17	231.9	276.0	88.5	85.0	227.6	125.0	333.3	158.6	112.0	142.2	122.0	119.3
Nov. 24	234.8	279.1	86.4	83.2	226.6	124.4	345.2	158.7	111.0	143.2	121.2	118.8
Dec. 1	230.4	276.5	87.5	81.9	229.8	123.1	340.2	158.6	110.2	140.6	120.7	117.4
Dec. 8	233.5	281.9	85.9	81.7	231.0	120.9	349.5	160.1	112.5	140.8	123.1	118.4

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Dec. 12	200.83	102.41	113.64	58.90
Dec. 10	201.11	102.82	113.92	58.59
Dec. 9	200.61	102.43	113.87	58.67
Dec. 8	200.82	102.75	114.41	59.93
Dec. 7	200.61	103.59	114.16	60.61
Dec. 6	200.16	104.09	112.83	60.72
Month ago	198.35	106.18	110.83	59.28
Year ago	181.69	85.22	106.94	63.73
1949 High	202.58	114.63	114.53	63.24
1949 Low	157.28	87.96	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Dec. 12	75.3	137.2	116.5	365.25	65.66
Dec. 10	75.4	137.4	116.7	365.62	65.71
Dec. 9	75.5	137.4	116.7	365.51	65.73
Dec. 8	75.6	137.4	116.8	365.47	65.85
Dec. 7	75.6	137.8	117.0	366.78	65.89
Dec. 6	75.8	137.3	116.8	364.21	66.29
Month ago	75.5	135.2	115.3	353.20	69.03
Year ago	74.3	130.6	111.6	336.63	60.29
1949 High	75.9	137.6	117.0	366.78	74.40
1949 Low	70.0	109.3	98.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Dec. 12	196.17	50.69	40.59	70.08
Dec. 10	194.68	50.15	40.44	69.56
Dec. 9	194.35	50.27	40.30	69.48
Dec. 8	194.45	50.57	40.35	69.61
Dec. 7	194.21	50.86	40.24	69.62
Dec. 6	194.64	50.71	39.74	69.48
Month ago	189.27	47.67	38.97	67.17
Year ago	177.34	54.00	33.02	64.65
1949 High	194.74	54.29	40.59	70.08
1949 Low	161.60	41.03	33.36	57.75

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Dec. 13, 1949

Public Utility Issues: Int. Rate % Due Bid Ask. Prev. Week Bid

■Payable in Canada or United States.
●Payable in Canada, U.S. or U.K.

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

Approximate quotations, 4 p.m., Dec. 12, subject to confirmation and change:

Market Comment

What stocks and bonds are doing and what prominent observers say

The scramble for stocks in the U. S. by traders eager to beat to the draw the anticipated post-holiday market upturn has been mounting and at the moment is more than strong enough to counteract traditional year-end liquidation forces. In the process, both the Dow-Jones industrial and utility averages have been pushed to their highest levels since the tops for 1946.

Canadian market action has been disappointing and a bit perplexing in the face of New York strength. Uncertainty over the British export market for surplus agricultural products and other Canadian products is a disturbing element in the 1950 outlook. Special situations, however, served to depress a number of key Canadian issues. It is known that International Nickel and Dome Mines have been called on to absorb considerable tax-selling in the U.S. Consolidated Smelters dropped at midweek on dividend news. The New York market is now at the lower limits of the 195-200 area on the Dow-Jones industrial average where considerable share turnover took place in early 1946. It is expected that many stock holders who have persisted since then will welcome the opportunity to "get out" at this time. At any rate, the upward going will likely be tough and a setback not unlikely.

One of the biggest developments of the week was the sharp rise in Interprovincial Pipe Line bonds which jumped $13 on Monday to $170. At this point the bonds were selling at a premium of $70 a hundred. New York institutional buying is still the big factor behind the strength in this issue. Based on estimated maximum throughput of the line of 95,000 bbl. of crude a day and if all the debentures were converted into common stock, the common shares could earn in the neighborhood of $11.63 a share, The Post estimates.

Gold stocks, under mild selling pressure all week, were driven down to the 101-102 area on the Toronto Stock Exchange gold index. Traditionally, golds suffer a sell-off at this time of year and then see the New Year in in a burst of buying. It is highly likely that the current resistance point will hold and that this week will prove a good buying point for many producers.

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BANKERS BOND CORP. (Toronto)

Financial markets, throughout the world, are the markets most sensitive to, and ones that most quickly reflect, important events. Stock markets, bond markets, international exchange, demand and term money rates quickly react to favorable or unfavorable political, economic or financial changes — domestic or foreign.

The investment of capital in stocks is not an exact science like mathematics, engineering or chemistry. It certainly cannot be an exact science on a short-term basis. No one knows what may happen in Ottawa, Washington, or London, nor what Mr. Stalin or Mr. Lewis might say or do tomorrow, or next week or in April — nor what the price of eggs or wool will be in July — nor whether the North American economy will be inflating or deflating three months, six months or one year hence. The purchase of stocks for a short-term hold is necessarily speculation — not investment. We therefore cannot predict nor advise on the immediate future trend of the market because, we frankly state, we don't know.

On the other hand, the investment of capital in stocks on a long-term or "investment" basis should be included in every investor's program. An investment in stocks of soundly conceived and ably managed Canadian enterprises, today, should amply repay the owner in enhancement of his equity value and interest return over a reasonable number of years. With a growing population, rapid development of natural resources, almost unlimited possibilities of industrial and agricultural development, the future of this country is one in which every citizen should be anxious to financially participate.

Thrifty Canadians have over $4.5 billions cash to their credit in savings accounts. At 1½% interest, a $10,000 deposit earns $150 per annum. The same amount invested in sound stocks paying 5%, would earn $500 per annum. The owner would be ahead $350 each year or $3,500 in 10 years.

Even after 20% tax, the investor is still ahead $280 per annum or $2,800 in 10 years. A conservative investor could regard this as an insurance reserve against intermediate declines in the market values of his stocks, stop worrying about any temporary paper capital losses and count on the future growth and development of Canadian business to provide capital appreciation.

We recommend to the owners of the $4.5 billions cash in savings accounts that they put their money to work — that they invest part in government and other high-grade bonds as a liquid reserve and purchase sound Canadian stocks with the balance. An active stock market and a healthy flow of capital into Canadian business is important to maintain a virile economy in the interests of all of us.

• • •

COL. L. D. M. BAXTER: Osler, Hammond & Nanton (Winnipeg)

"During the war and postwar years, the stock market has been more influenced by psychological factors based upon political considerations and the fear of an "inevitable postwar depression" than by business conditions. Thus the market rose steadily from the time the Allies took the initiative in late 1942 until 1946, when, in anticipation of the inevitable postwar depression, it fell off sharply. Since then, owing to the unfavorable international situation and continuing fear of a depression, the stock market has fluctuated within a comparatively narrow range, disregarding good earnings reports and dividend action.

Now however, the sellers market, which had prevailed for almost a decade, is over. This has not resulted in the expected depression but rather in a readjustment by industries to the new conditions. So far the market has reacted well to these new developments and is currently at a new high since 1946. Nevertheless, owing to the threatening political and economic situation overseas, and government props to the economy in North America, it is unlikely that the market will break out above or below its present trading range. However, because of the return of competitive conditions to the economy, the stock market will probably become increasingly selective."

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BARRON'S: The Trader (New York)

Professor Sumner H. Slichter (noted U. S. economist) in a New York speech recently said, "The conditions for a real old-fashioned depression do not exist and are not likely to exist in the foreseeable future. As a matter of fact, considerable time is required to lay the foundation for a severe depression, and the cold war tends to prevent contraction from going very far."

• • •

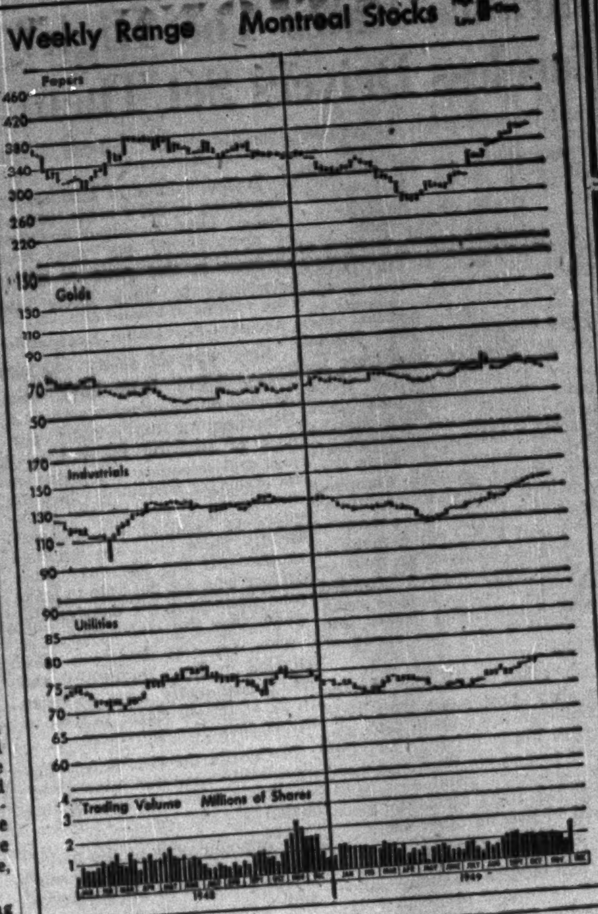
Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.50	Jan. 1	Dec. 1
Do. $1.50 pf.	.37½	Jan. 1	Dec. 1
Acadia Atlant. A	.25	Jan. 3	Dec. 12
Aluminum pfd.	.25	Mar. 1	Feb. 1
Am Cyanamid	†.50+.62½	Jan. 3	Dec. 1
Do. pfd.	†.87½	Jan. 3	Dec. 1
Anglo-Hur.	.15	Jan. 25	Jan. 3
Asbestos Corp.	.30+.40	Dec. 22	Dec. 1
J. H. Ashdown Hdwre. A	.15	Jan. 1	Dec. 10
Do. B	.60	Jan. 1	Dec. 10
Assoc. Tel. $6 pf.	†2.42	Dec. 19	Nov. 15
Do. $7 pfd.	†3.95	Dec. 19	Nov. 15
Auto Fab. A	.15	Jan. 2	Dec. 15
Do. B	.10	Jan. 2	Dec. 15
Bk. of Montreal	1.20	Jan. 3	Nov. 30
Bank of N. Scotia	1.30	Feb. 1	Dec. 31
Do.	.35	Jan. 3	Nov. 15
Bk. of Toronto	1.20	Jan. 16	Dec. 31
Barber Ellis pfd.	1.75	Jan. 3	Dec. 15
Beatty Bros.	.25	Feb. 1	Jan. 10
Beaver Lumber	.50+.50	Jan. 3	Dec. 10
Do. A	.25	Apr. 1	Mar. 10
Do. A	.35	Jan. 3	Dec. 10
Do. pfd.	.35	Apr. 1	Mar. 10
Do. pfd.	1.50+1.00	Jan. 3	Nov. 30
Beld.-Cort.	1.75	Jan. 3	Nov. 30
Do. pfd.	.15	Jan. 2	Dec. 15
Belgium Glove	.25	Jan. 2	Dec. 15
Do. pfd.	.30	Jan. 16	Dec. 15
Bell Telephone	†.90	Dec. 21	Dec. 5
Bordens Co.	.10	Jan. 14	Dec. 22

Dividends Declared (con'd)

	This payment $	Date payable	Date of record
Invest. Found. pfd.	.75	Jan. 16	Dec. 15
Jam. Pub. Ser. Ltd.	.25	Jan. 3	Nov. 30
Jamaica Pub. Ser. Co. Ltd.	1.75	Jan. 3	Nov. 30
Journal Pub.	.20	Jan. 15	Dec. 16
Kelvinator	.75	Dec. 20	Dec. 5
Kerr-Addison M.	.18	Dec. 29	Nov. 30
John Labatt	.25	Jan. 3	Dec. 15
Lamaque G.	.12	Feb. 1	Dec. 9
John A. Lang	.25	Jan. 2	Dec. 10
Laprairie Inc. pf. 6%	1.50	Jan. 3	Dec. 1
Leduc West Oil	.04	Jan. 3	Dec. 8
London Hose	.15	Jan. 2	Dec. 16
Do. A	.20	Jan. 2	Dec. 16
Do.	.20	Apr. 1	Mar. 15
W. M. Lowney	.25	Jan. 16	Dec. 15
M. Loew's	1.00	Dec. 31	Dec. 9
Maclaren Pwr.	‡.25	Jan. 3	Nov. 19
H. R. Macmillan A & B	.12½	Dec. 31	Dec. 10
Madsen Red Lake	.05	Dec. 22	Nov. 30
Mailman	.25	Jan. 3	Dec. 20
Maple Leaf Gard.	.25	Jan. 16	Dec. 31
Mari. Tel. & Tel.	.20	Jan. 16	Dec. 20
Do. pfd.	.17½	Jan. 16	Dec. 20
Massey-Harris	.37½+1.00	Dec. 15	Nov. 26
L. McBrine pfd.	.50	Jan. 2	Dec. 10
McIntyre Porc. M.	$1.00½	Jan. 3	Nov. 1
Melchers Dist. pfd.	.30	Dec. 31	Nov. 30
Mersey Pap.	.50	Jan. 2	Dec. 10
Do. pfd.	1.12½	Jan. 2	Dec. 10
J. S. Mitchell	1.00	Jan. 3	Dec. 15
Mod. Containers A	.25	Jan. 3	Dec. 20
Molson's Brew.	.25	Dec. 20	Nov. 29
Do.	1.30	Jan. 11	Dec. 15
Monarch Knit.	.25	Jan. 3	Nov. 30
Do. pfd.	1.12½	Jan. 3	Nov. 20
Monarch Life	6%	Jan. 2	Dec. 16

†American funds. ‡Extra.
*On arrears. ●On redemption.



New Highs and Lows

During the week ended Dec. 10, 49 new highs were recorded among the general stocks on Canadian Stock Exchanges and nine new lows. In the mining group there were 12 new highs and 15 new lows. In the western oil group there were three new highs.

GENERAL

New Highs—1949

- Alum. of Can. pfd.
- Assoc. T. & T. A
- Do. pfd.
- Bk. of Nova Scotia
- Can. Nor. Pr.
- Cdn. Celanese $1 pf.
- Cdn. Cottons pfd.
- Cdn. Fairbanks
- Cdn. Gen. Electric
- Cochrane-D.
- Cockshutt Plow
- Cons. Smelting
- Craig Bit pref.
- Dist.-Seagram
- Dom. Bank
- Dom. Glass
- Dom. Square
- Dom. Tar & Ch. pf.
- Econ. Inv.
- Fibre Prod. pref.
- Gen. Products A
- Gen. St. Wares
- Gt. Lakes Pap. pref.
- Guaranty Trust
- Gypsum Lime
- H. Smith Paper
- Indust. Accept.
- Do. 5% con. pref.
- Int. Metal Ind.
- Int. Paper
- Int. Utilities
- Nat. Drug
- Nat. Hosiery A
- Do. B
- Nat. Sewer Pipe
- Nuclear Ent.
- St. Law. Corp.
- Do. 1st pref.
- Shawin. Pr. 4% pf.
- Shea's Brewery
- Slater, N.
- Southam
- Traders Building
- Traders Finance B
- Viau, Ltd.
- Walker-Good.
- West. Brew.
- Weston Geo. 4½% p.
- Zeller's 5% pref.

New Lows—1949

- B. C. Packers A
- Chateau Gai Wines
- Dom. Woollens
- Flash Fast. pref.
- Gordon Mackay B
- Journal Pub. Ot.
- Mersey Paper
- Penman's Ltd.
- People's Credit Sec.

MINING

New Highs—1949

- Castle-Tretheway
- Falconbridge
- Joliet Quebec
- MacLeod Cockshutt
- Magnet Cons.
- Norlartic
- Quemont
- Roybar
- Stadacona
- Steep Rock
- United Keno Hill
- Ventures

New Lows—1949

- Bulolo Gold
- Colomac Y'knife
- Crestaurum
- Cuyuni
- El-Pen-Rey
- Gillies Lake
- Goldcrest
- Goodfish
- Guayana
- Joburke
- Lake Rowan
- Surf Inlet
- Thompson
- Trebor
- Western Ashley

OILS

New Highs—1949

- Mid.-Cont. O. & G.
- Three Point
- Vulcan Brown

Bond Redemptions

Bond issues:	Rate	Year	Call	Price
‡Algoma Cent. Term. 1st mtge.	5%	1959	Dec. 31	125
D.S. & bds.	5%	1970	Feb. 1	105
‡Candn. Nat. Rly.				
●Cons. Pap. Corp. 1st mtge. bds.	3½%	1967	Jan. 3	101½
‡United Sec. coll. trust bds. ser. B	3%	1953	Dec. 1	100½

●778,500. ‡AA o/s. ‡$272,000.

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Cumulative Redeemable Preferred Shares

Notice to the holders of share warrants and to registered shareholders

NOTICE is hereby given that:

1. A dividend (Number 5) of $1.18 per share in Canadian currency has been declared on the 4¾% Cumulative Redeemable Preferred Shares for the three months ending December 31, 1949.

The said dividend will be payable on or after January 3, 1950 in respect of the shares specified in any share warrant on presentation and delivery of dividend coupon No. 5 at any Branch of The Royal Bank of Canada in Canada.

The said dividend will be paid to registered holders of said shares who are of record at the close of business on December 15, 1949, by cheque which will be mailed on December 31, 1949, from the office of the Montreal Trust Company, Vancouver, B.C.

2. A dividend (Number 11) of $1.00 per share in Canadian currency has been declared on the 4% Cumulative Redeemable Preferred Shares for the three months ending December 31, 1949.

The said dividend will be payable on or after January 3, 1950 in respect of the shares specified in any share warrant on presentation and delivery of dividend coupon No. 11 at any Branch of the Royal Bank of Canada in Canada.

The said dividend will be paid to registered holders of said shares who are of record at the close of business on December 15, 1949, by cheque which will be mailed on December 31, 1949, from the office of the Montreal Trust Company, Vancouver, B.C.

3. The Income Tax Act of the Dominion of Canada provides that a tax of 15% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada. The tax will be deducted from all dividend cheques mailed to non-resident shareholders and The Royal Bank of Canada will deduct the tax when paying coupons to or for accounts of non-resident shareholders. Ownership Certificates (Form No. 600) must accompany all dividend coupons presented for payment by residents of Canada.

Shareholders resident in the United States are advised that a credit for the Canadian tax deducted at source is allowable against the tax shown on their United States Federal Income Tax return. In order to claim such credit the United States tax authorities require evidence of the deduction of said tax. For this purpose the Company's paying agents, Montreal Trust Company, 466 Howe Street, Vancouver, B.C., will, at the year end, mail to registered shareholders a Certificate of Tax Deduction covering the aggregate tax deducted from dividends paid during the calendar year. Bearers of share warrants, on the other hand, must complete Ownership Certificates (Form No. 601) in duplicate and the Bank cashing the coupons will endorse both copies with a Certificate relative to the deduction and payment of the tax and return one Certificate to the Shareholder. If Forms No. 601 are not available at local United States banks, they can be obtained from any office of The Royal Bank of Canada.

Subject to Canadian Regulations affecting enemy aliens, non-residents of Canada may convert Canadian dollar dividends into United States currency or into other foreign currencies permitted by the general regulations of the Canadian Foreign Exchange Control Board at the official Canadian Foreign Exchange control rates prevailing on the date of presentation. Such conversion can be effected through an Authorized Dealer, i.e., a Canadian chartered bank. The Agency of The Royal Bank of Canada, 68 William Street, New York City, is prepared to accept dividend cheques or coupons for collection through an Authorized Dealer and conversion into permitted foreign currencies.

BY ORDER OF THE BOARD.
J. A. BRICE,
Secretary

425 Carrall Street,
Vancouver, B.C.
November 30th, 1949.

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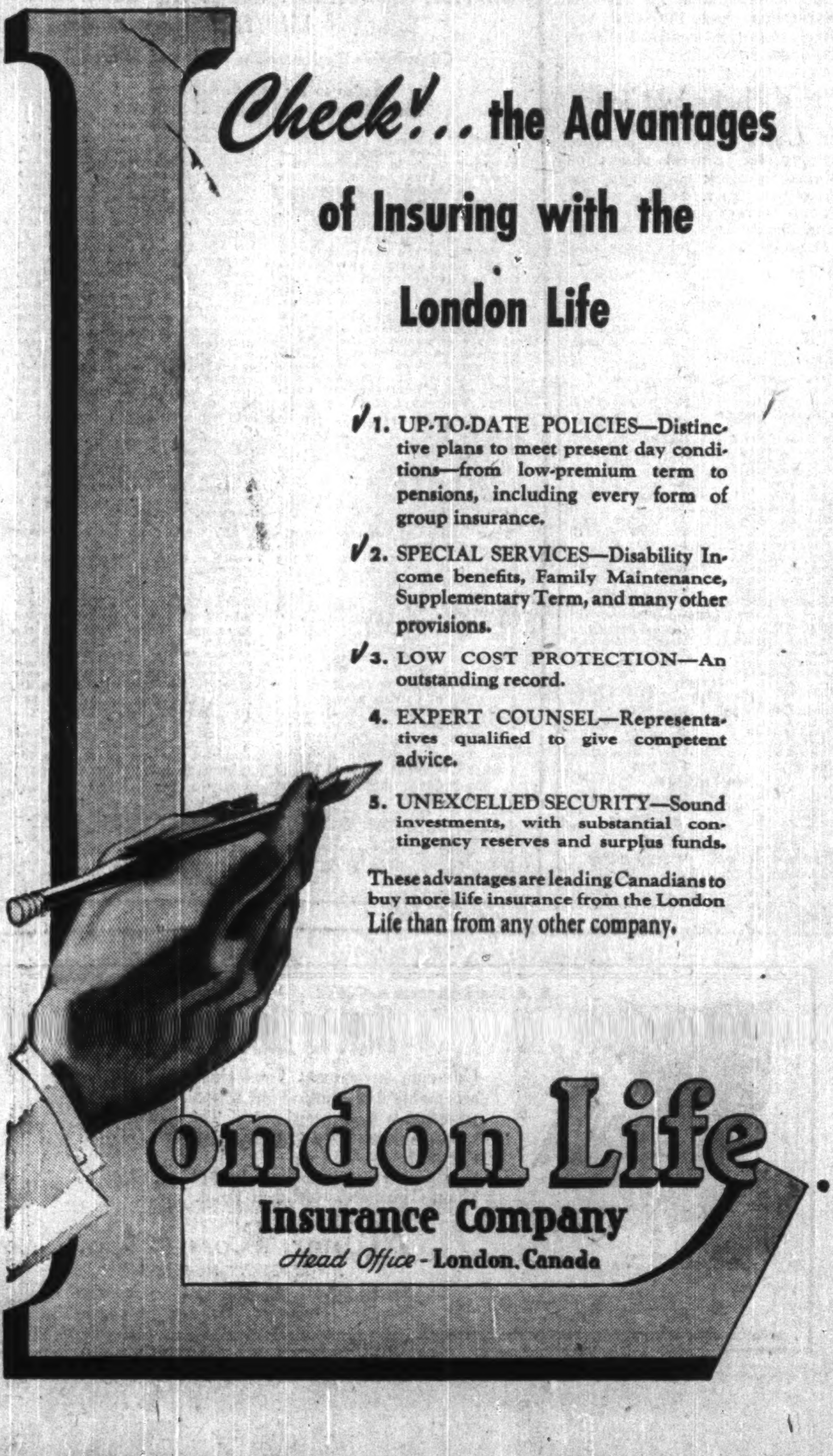

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Are Auto Insurance Rates Too High?

Road Rules, Careless Drivers Set Them

The more highway automobile accidents there are, the more you pay for your automobile insurance, the fewer accidents the lower the premium rates, W. F. Spry, vice-president of the All Canada Insurance Federation and vice-president and general manager of the Canadian General Insurance Co. told the Hamilton and District Insurance Agents' Association.

Here is a digest of his address.

By W. F. SPRY

Psychiatrists tell us that the urge to pass every vehicle on the highway is an indication of emotional immaturity which has no place in the make-up of the expert driver.

The driver who makes it as difficult as possible for other cars to pass him is equally childish and equally dangerous. I am sure every one of us has at some time been the near-victim of the driver who, due to some psychological quirk in his make-up, cannot bear to stay behind for a few minutes; or the road-hog who straddles the centre line and refuses to share the highway with anyone not complying with his prescribed rate of speed.

The most careful planning and designing, the most skilful engineering and the most expensive and well-tested construction cannot — and never will — combine to build a highway which will automatically be free of accidents.

In the long run the ultimate and the sure safety factor must, in large measure, remain the responsibility of the individual driver.

Causes of Accidents

Dr. Herbert Stack, director of safety education at the University of New York, estimates that three of every ten motorists involved in fatal accidents met death because they were driving too fast. Some of them were actually exceeding posted speed limits, but many more were merely driving too fast for the conditions existing on the streets or thoroughfares over which they were passing. Malcolm Campbell could drive in relative safety at 200 miles an hour on the sands of Great Salt Lake, but a motorist traveling at 20 miles an hour — or even less — in a crowded district may not be able to avoid hitting a child who dashes into the street a few feet ahead of his car.

The latest available figures also show that more than 10% of motorists involved in fatal accidents were driving on the wrong side of the road, while on rural highways about 13 out of every 100 fatal accidents were caused in passing other cars.

Accidents Still Happen

In our modern economy, automobile insurance plays an ever-increasing part. Engineering advances in design and speed of today's motor car, combined with more vehicles on the road, have brought a rapid increase in accidents and inevitable increase in property damage, injuries and fatalities, despite the marked advance in modern highway construction. We all agree that a great percentage of these accidents are unnecessary — that they are caused by carelessness, thoughtlessness and often by plain stupidity — but the fact still remains. Accidents do happen. It is this fact which the automobile insurance business as a whole must face because I am firmly convinced that there is not — and never will be — a "safe" motor highway.

The growth of the automobile insurance business in Canada since 1939 has been phenomenal. Premiums paid in 1939 amounted to $18,859,873 — while in 1948 they had reached a total of $59,324,767 — an over-all increase of more than $40,464,000.

However, before we start patting ourselves on the back over this increase, let's take a good view of the situation.

1. The cost of an automobile is up exactly 100%. Repair costs have increased by 65% and the average claim costs for personal injury and property damage by 48%. Nevertheless, the average country-wide premium for automobile insurance has increased only 14%. This is an astonishing fact, accounted for only by the rapidly growing volume of automobile premiums.

2. The volume of business has increased by 200% since 1939, but claims have increased by 350%. I need hardly say what must happen if this ratio of claims continues to climb faster than the volume of business.

Accident-Prevention Legislation

New types of safety financial responsibility laws have been enacted in recent years across the Dominion for the primary purpose of assuring the public of just and adequate compensation for damages sustained when the damage is caused by the negligence or fault of the motorist. Briefly these laws are intended to take off the highways those drivers who are not able to make good financially the damages for which they are responsible.

This type of law was first enacted in New Hampshire and has subsequently been followed in 22 of the 48 states as well as in six Canadian provinces.

In Canada the first Safety Responsibility Law was initiated by Manitoba, whose safeguards include:

1. Impoundment of the motor vehicle — which as I have said is not followed in all provinces and

2. The Unsatisfied Judgment Fund, which makes it possible for an injured person to recover damages against an individual who is judgment-proof. This is carried out by taking judgment and securing, by due process, execution of that judgment against the Unsatisfied Judgment Fund.

Assigned Risk Plan

Failure of the driver to have evidence of financial responsibility when an accident involving bodily injury or property damage of $25 or over occurs, or there is a violation of specified traffic laws, takes him off the road until any claims have been settled and he can secure necessary proof. To meet this particular contingency the insurance companies have established the Assigned Risk Plan.

This plan is intended to provide insurance for those who are not normal risks. It gives a second chance so that they are not arbitrarily denied the use of the highways.

While safety responsibility laws are intended primarily to secure recompense for injuries or damages sustained, there is a second element — safety. Proper administration of such laws should remove from the road those drivers who fail to assume the responsibilities their negligence entails, and those who violate the law. In Manitoba there are today some 2,700 drivers banned from the highways for these reasons.

Within two years of the enactment of the Safety Responsibility Law in Manitoba the increased number of insured vehicles and the pro-rata decline in accidents made it possible to reduce insurance premium rates by 30% in the rural areas and by a little more than 10% in the greater Winnipeg area. Can this continue? It's up to the driver, plus the strict enforcement of traffic laws.

In Saskatchewan

The compulsory plan operated by Saskatchewan is on a purely arbitrary scale. You receive compensation whether you are at fault or blameless.

In Saskatchewan, the accident loss ratio has increased to a greater extent than in any other province in the Dominion. Between 1947 and 1948, accidents per 1,000 vehicles increased by 25.04%; injuries increased by 5.71%; and fatalities increased by 51.18%. These increases took place in a period when motor car registrations in the province increased by only slightly more than 5½%.

You have heard a lot about Saskatchewan's low-cost insurance, but possibly you are not aware that their rates were increased last year. It is true, that as camouflage they threw in additional coverage but it is coverage which the statistical bureaus indicate actually could have been supplied by private enterprise for a small fraction of the general increase which was put into effect.

When a Government goes into compulsory insurance — as it has done in Saskatchewan — it is on dangerous ground. It forces the citizen to get insurance in order to use the highway and is not therefore in a good position to deny any driver the right to use the road, whether or not he has proved to be dangerous. In Saskatchewan if you have a bad record your license fee increases — but you continue to drive.

The Alberta Report

In 1948 the Alberta Legislature appointed a special committee to study all phases of automobile insurance.

This committee said:

"It is the considered opinion of insurance men that five years or more must elapse before success or failure of the Saskatchewan venture can be forecast. Can the Saskatchewan plan continue to operate successfully on its existing rate structure? Saskatchewan Government officials say yes; private companies, with their background of experience, say no. The committee agrees with the latter." . . . Subsequent to this report, Saskatchewan rates were increased.

The report continues:

"No uninsured motor vehicle should be on the road. The committee believes that insurance should be considered as much a part of the expense of operating an automobile as the cost of gasoline, oil and repairs. They go together; one is as essential as the other. At the same time, no one can deny that the present cost of automobile insurance is high and the committee agrees that something should be done to bring the rates down.

"The committee began its inquiry holding the view that such an objective was possible. After intensive investigation the same view is held, but with a definite shift as to the method by which the desired reduction can be brought about. Premium rates can be reduced . . . and by direct action on the part of the motorists themselves.

"It has been suggested that a plan of compulsory insurance would result in lower rates, but it might be pointed out that in Massachusetts, where public liability insurance is compulsory, the rates have actually increased."

The report says further:

"Savings made by the Saskatchewan motorists, for the present, result almost wholly from the elimination of commissions paid to local agents. Ignoring, if you like, the effect of this action on men who, it is generally agreed, perform a legitimate service to the public" . . . with which I feel sure you will agree . . . "it is obvious that such a course leads inevitably to a state monopoly, not only in the whole field of insurance, but just as logically in other fields as well.

"The committee sincerely believes that greater care on the part of all motorists will show the way to lower insurance rates, and what is infinitely more important, to increased safety for the people. The committee is unanimously agreed that accident prevention is more dependent upon stricter enforcement of traffic regulations and possibly more severe penalties for violations, than upon insurance coverage purchased under compulsion, disguised or otherwise."

Insurance Rates

Periodically there are individual and sometimes organized complaints that the cost of automobile insurance is too high. Most of these complaints arise because the public does not realize how they and their provincial governments affect the setting of premium rates. Important factors in the making of these rates are the traffic laws passed by the provincial governments and the rigidity with which these laws are enforced. In this respect, the onus is on the provincial governments and **not** on the insurance companies.

As in all other types of insurance, automobile insurance is the business of spreading risk among many policyholders, so that those who suffer loss can be indemnified in full, but at a carefully worked out and reasonable cost to all.

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4. "On our left you see Averagetown's new waterworks. And — you guessed it — life insurance dollars are at work here too, helping to pump and purify the water. That's a big job — for the water is used at the rate of thousands of gallons per minute!"

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"Sorry — that's all we can show you now. But life insurance dollars also helped to build Averagetown's electrical power plant, sewage system, recreational park and many of its homes.

"They're a boon to *farmers*, too — helping to build highways and rural electrification systems.

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"It makes the future financially secure for yourself and your family. *And it helps create jobs and raise living standards in your community!*"

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A message from the Life Insurance Companies in Canada and their Representatives

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Consumer Credit to Increase?

Here's Analysis of Trends, Past, Present, Future

What's happening to consumer credit? How does it fit into our economy. What does the future hold? Following is a digest of the views of Dr. Ernst A. Dauer, Director, Consumer Credit Studies, Household Finance Corp., Chicago, Ill., as outlined recently to selected groups in Toronto, Montreal, Ottawa, Kingston, London and Hamilton.

By DR. ERNST A. DAUER

In the United States (and Canada) we customarily say, "I bought a home yesterday," as soon as the contract is signed and the down-payment made, regardless of how small that down-payment may be. But I am told the Britisher would say, "I am buying a home," and that he would continue to say it until the last penny has been paid.

The choice of words of the Britisher reflects, of course, a greater precision of expression. It also implies a recognition that the purchase of a home required too great an outlay for the average person to make in cash.

The recognition of that fact with respect to all major durable goods is highly important if we are to think straight with respect to consumer credit. The important question to examine before reaching a judgment on how appropriate any particular transaction is, is not whether the purchase is made for cash or on time, but whether the purchase is a sound one in relation to the scale of living, the present and future income, and the management of that income by the individual.

The average family today must use credit, amortized out of income, to be able to acquire all major durable goods. About 85% of the spending units in the U. S., or 43 million, have an income of less than $5,000. This 85% comprises the mass market which has made mass production possible. Almost two thirds of that 85% do not have an adequate reserve for a rainy day; thus the mass demand is largely dependent on consumer credit for all major purchases.

Consumer credit has almost single-handedly transformed the character of our standard of living. It alone has made possible the widespread acquisition by average families of major durable goods. That is the unique characteristic of the North American standard of living.

How Much Credit?

What about the current volume of consumer credit in U. S.? The total outstanding has grown sharply since the end of the war, but was abnormally small at that time. The present volume of $16 billions, and the total installment credit of $9 billions, are large as compared with the prewar levels. But the volume, and the increase since before the war are not large in comparison with the changes which have occurred elsewhere in our economy.

As supporting evidence we have these figures. Total consumer credit was 11-12% of personal income (after taxes) in the years 1939 through 1941. Today, it is 8.2%. Total installment credit was 6-7% prewar, today 4.8%. So, if we use those relationships to measure the burden of repayment, consumer credit today is low. There is thus no evidence that consumers, by and large, have assumed short-term obligations which are excessive in relation to their present and probable future income.

What About The Future?

Can the miracle of North America's unparallelled economic progress be repeated? Can we attain shorter working hours, higher real incomes, and ever higher standards of living? There have been at least two basic studies which say we can, if we avoid a major depression, if we remain at peace, if we continue to increase productivity per man-hour (by about 2% per year) as we have in the past, and if the benefits of higher productivity are passed on to the masses.

To obtain increasing productivity, it is essential to rapidly replace obsolete plant and equipment, increase standardization and operating efficiency, and secure increasing co-operation from workers. The greatest single requirement is a progressive increase in the efficiency of workers which could be obtained largely from a decrease in make-work devices and malingering of all kinds.

Increasing productivity also requires operating companies of great size in the interest of efficiency, a fixed unchanging monetary unit, and fiscal stability. The latter implies a level of taxation which does not destroy business incentive. Such a level of taxation will be difficult to attain in view of the belief in some quarters that we cannot have too much education, too much health, or too much security, regardless of the cost of the required welfare program.

To attain a reasonably steady progress toward higher standards of living, it is also essential that mass demand be sustained and progressively expanded. The benefits of higher productivity must be diffused throughout the entire population, to accrue to a large degree to those in the lower income brackets, since the only permanently expansible markets are those found in the unfulfilled wants of the mass of the population.

Credit To Grow

Consumer credit has a part to play in sustaining those mass markets.

There is every reason to believe that the total of outstanding consumer installment credit will continue to grow in the coming years. In the immediate future that increase will come chiefly in the field of installment sale credit which is far below the prewar relationship to any of the accepted national income figures. Sale credit will increase as the proportion of sales on time of all durable goods, including automobiles, gradually increases and returns to the prewar relationship.

If cash lenders and sellers, alike, continue to apply sound standards in the evaluation of each individual installment loan and sale credit, then the total volume of consumer credit will remain sound. Then, no matter how large that volume becomes, it can have only one result: to contribute to healthier, happier, more effective living through the land.

Sun Publishing Bonds Are Sold

A new issue of $450,000 4½% sinking fund debentures of Sun Publishing Co., Vancouver, B.C., has been sold by a syndicate consisting of Western City Co. and Pemberton & Son (Vancouver) Ltd. The debentures which were dated Nov. 1, 1949 and due Nov. 1, 1969 were offered at $100 and accrued interest.

Proceeds are to provide funds for a newly acquired printing plant of 14 units to replace the present 10-unit plant, some of which is old type construction, and to purchase and redeem $150,000 4½% first preferred shares. While the cost of the new printing plant and building is estimated at about $800,000, the balance of the funds will be provided from accumulated earnings and cash on hand, the prospectus states. It is estimated that working capital will be around $500,000 when the program is completed. (Working capital amounted to $911,430 at Aug. 31, 1949).

The new printing plant is expected to increase the speed of printing the newspaper by 40% and is ideal for the Sun's increasing circulation, it is stated. Mainly for this reason economies of approximately $90,000 a year should be realized, based on monthly production since March 1949, it is estimated.

Property on the south-east corner of Beatty and Georgia Sts., Vancouver, was recently acquired by Sun Building Ltd., a wholly owned subsidiary, from the Canadian Pacific Railway for $105,000. A building is to be erected on this property to house the newly-acquired 14 unit press.

Total annual interest requirements on the $840,000 first mortgage serial bonds and the new issue of $450,000 debentures is $53,850 a year. Earnings available to meet this interest have averaged $296,638 for the 11 year period to Aug. 31, 1949 or 5.51 times the requirement. The new printing plant with more efficient machinery should result in still greater earnings in the future, the prospectus states.

AMERICAN CYANAMID CO. The Chase National Bank of New York advises that an additional 1,781 common shares have been issued upon conversion of 759 shares of cumulative preferred stock series A and 1 common share has been issued upon consolidation of 100/100ths scrip, reducing preferred to 388,385 shares and increasing common to 2,748,031 shares.

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Contract For Two Oil Tankers Goes to C. S. L. Subsidiaries

Contracts have been awarded to the Port Arthur Shipbuilding Co. and to Collingwood Shipyards, Ltd. for the building of two new oil tankers, the largest ever built in Canada, at a cost of about $7.8 millions. The ships will be built for Pipe Line Tankers Ltd., a newly organized company, and Imperial Oil will charter them for 15 years (The Financial Post, Nov. 19).

The Port Arthur and Collingwood companies are subsidiaries of Canadian Shipbuilding & Engineering Ltd. which is in turn a wholly owned subsidiary of Canada Steamship Lines, Ltd.

Construction will begin immediately so that the new tankers will be ready in 1951 to carry Alberta crude from the head of the lakes to Sarnia and other Ontario refining points, it was announced. This will tie in with the completion of the pipeline of Interprovincial Pipe Line Co. to Superior, Wis. The new tankers will be roughly twice as large as any tanker now operating on the Great Lakes, it is stated.

Each of the new ships will have a deadweight tonnage of about 15,800 and a capacity of approximately 115,000 barrels of oil. Service speed will be 13 knots, enabling the ships to make a round trip between Sarnia and Superior in five days. Each tanker is expected to carry about five million barrels of oil in a season.

Dimensions of the new vessels are: length, 620 ft.; beam, 68 ft.; depth, 35 ft. Engines will be 4,500-h.p. geared turbines. Navigation aids of the latest design will include radar, gyrocompass, direction finder, fathometer and ship-to-shore radio telephone.

Modern pumps will give each ship a discharge capacity of 15,000 barrels an hour and similar equipment at the Superior terminal will load them at the rate of 20,000 barrels an hour.

Practically all materials used in construction of the ships will come from Canadian plants.

Particular attention will be paid to accommodation for the crew of 33 on each ship. Not more than two men will share a stateroom and there will be recreation rooms for officers and men. Fire retarding material will be used throughout the crews' quarters and the most modern fire-fighting apparatus installed in both vessels.

Reorg. Steps Completed For Mexican Rly. Debt

Pan American Trust Co., fiscal agent of the Mexican Government in the United States, pursuant to the reorganization of Mexico's direct external debt and of Mexico's Railways debt, announces that all steps relating to the modification of the Mexican Government's offer to the holders of Mexican Railways obligations have been completed. Copies of the amended prospectus containing information relative to the Modification Agreement entered into between Mexico, the Administration of the National Railways of Mexico and the International Committee of Bankers on Nov. 24, 1949, are now available upon request at its offices 70 Wall Street, New York 5, New York.

The offer of the Mexican Government providing for the resumption of payments on a modified scale on the obligations of The National Railways of Mexico and the other constituent companies constituting the National Railways System, is fully set forth in the amended prospectus.

Payments to holders of Mexican Railways obligations will be made by Pan American Trust Co. and by its designated agents abroad as soon as the Agreement is declared operative.

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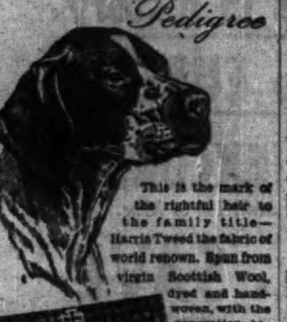

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Branches at Vancouver, Saskatoon Winnipeg and Montreal

East Malartic Mine Now Nearly Ready For Substantial Boost in Production

By GORDON M. GRANT

East Malartic has been showing a nice improvement in results recently. Milling rate has been up to 1,050 tons daily against an average of 800 tons in the first quarter of 1949. An operating profit of $310,000 was realized, including $238,232 cost-aid, in the first nine months of this year.

But, encouraging as this improvement is after a series of lean years at the "East," indications now are that with the lucky combination of a $38.50 price for gold and near completion of the company's longterm development program, much better results can be anticipated. For years the company has been dogged by a succession of events, including a fire, which deferred better results but the management is hopeful that those days belong to the past.

Remember how diamond drilling disclosed some exceptionally great widths of good grade ore at the 11th and 12th levels in the main ore body? Extensive preparation is nearing completion for mining of ore from this section.

It is expected that not only will ore tonnage be lifted gradually close to the capacity of 1,800 tons daily but that average ore grade treated will prove a considerably better average recovery than the $5.51 a ton for the first nine months of this year (when gold was $35).

Operate Stopes Shortly

Next month is expected to see active stoping proceeding on both the 11th and 12th levels with stope preparation now well advanced at both these horizons.

On the 11th level, at 1,735 ft. depth, 11 stopes of the "inclined cut and fill" variety will be available for drawing of ore. A stoping width of 30 ft. is provided with 10 ft. of ore in pillars. There are estimated to be 512,000 tons of ore in the prepared zone from the 11th to the 10th horizon which is close to 18 months' ore at current milling rate.

At the 12th level, eight stopes are being prepared. A very substantial tonnage of ore can be drawn daily from the 19 stopes being made available at the two levels.

Ore widths from south to north vary from 51 to 165 ft. with a general average for the ore structures of 120 ft.

Open Ore to West

Recent work to the west on the 11th and 12th levels has been in ore structure but full ore widths and grade remain to be determined by drilling and slashing.

On the 11th level, drifting has been carried for 1,000 ft. with a further 210 ft. to be traversed to reach the west boundary. Drifting has been carried in the greywacke sediments south of the main contact zone. No 11-1 drift has been in the fault zone ore structure for 420 ft. with sampling indicating grade of 0.14 oz. or better across drift width.

The No. 12-1 drift has been in the fault zone structure for 440 ft. with a further length of 610 ft. ahead to the west boundary. Sampling of the first 337 ft. of advance gave 0.142 oz. across drift width of 8 ft. Slashing and test holing remain to be done to determine full widths. Levels above suggest widths of 12 to 15 ft.

No work is being done as yet at the 13th level but a horizontal drill hole intersected the main ore body at this level showing a width of 102 ft. averaging 0.29 oz. gold uncut or 0.18 oz. gold cut.

Plans call for extension of the main No. 4 shaft below the 13th level. This work will likely get under way early in the new year. It will be a signal for the opening of main and fault ore areas at the 13th level horizon.

Interest in the northern areas of East Malartic has been inspired by results being secured in the north zone at the neighboring Barnat Mines to the west. The north part of East Malartic covers about two miles along the break or zone in which Barnat is securing its results. This may prompt further investigation of the corresponding part of the East Malartic property as time and conditions permit.

Anglo-Canadian Debentures Create Market Spectacle

MONTREAL (Staff) — New issue of $4 million 4% convertible sinking fund debentures, series "A," of Anglo-Canadian Oil Co., was quickly sold when offered this week at par by Nesbitt, Thomson & Co., Osler, Hammond & Nanton and Tanner & Co. Dated Nov. 1, 1949, the debentures mature Nov. 1, 1964.

By early Tuesday morning debentures were quoted at 116 bid, 117 asked. After reacting to 108, debentures firmed again to 113 to 115.

Company proposes to increase its authorized share capital from three million to five million no par value common, and a special meeting has been called for Dec. 21 to authorize the increase. If the increase is approved, each $100 principal amount of the new debentures will be convertible at the holder's option into common stock on the basis of 19 shares up to Oct. 31, 1951; 17 shares up to Oct. 31, 1953; and 16 shares up to Oct. 31, 1955. Shares are currently trading around $4.25 - $4.50 a share.

The sinking fund provides for an annual payment starting Nov. 1, 1952, of a sum sufficient to redeem $267,000 principal amount of debentures annually. It is estimated that this will retire 80% of the issue by maturity, prospectus states.

So long as any series "A" debentures are outstanding, company shall not pay any dividend on its shares which would reduce its net current assets below $750,000. Debentures are secured by a pledge of the company's entire present interest in all producing wells and the quarter or part sections on which they are located, with a floating charge on all other assets of the company.

Company has, directly and indirectly, varying interests in 33 producing wells in the Turner Valley field, a 50% interest in 12 producers in Redwater, 52½% interest in nine Woodbend producers and varying interests in six producing and two potential Leduc wells.

Its net share of proven productible oil reserves is as follows, prospectus states: Redwater 4,164,727 bbl.; Woodbend 4,108,589 bbl.; Leduc 329,825 bbl.; Turner Valley 916,435 bbl.; Turner Valley share and royalty interests 84,915 bbl., for a total of 9,604,491 bbl.

Taking these reserves at only $1 per barrel, and including $4,575,999 net current assets and $526,146 book value of investments in subsidiary and associated companies, total net assets would be $14,706,637 or $3,676 per $1,000 debenture.

Company also has interests in 1,936 acres in Woodbend, 3,016 acres adjoining Woodbend, and in leases and reservations held in Northern Alberta by Alberta Northern Holdings Ltd. It has under lease or reservation 80,000 acres in the Elk Point area, and with Calgary & Edmonton Corp. and Calmont Oils Ltd. it has acquired options on 63,000 acres of petroleum and natural gas rights north of the Taber field in Southern Alberta. It also has varying interests in Black Diamond, Gadsby Lake, Stettler, South Viking, Killam and Pincher Creek areas.

Net income for year ended Jan. 31, 1947, was $237,075; for 11 months ended Dec. 31, 1947, $318,045; full year 1948, $456,648; eight months ended Aug. 31, 1949, $523,538. Its subsidiary, Alberta Salt Co., had shown a loss of $36,578 up to June 30, 1949.

COMPANY REPORTS

ANGLO-HURONIAN realized a net profit of $405,244 equal to 27 cents a share in the year ended July 31, 1949, as against $452,332 or 30 cents a share the preceding year.

Dividend and interest income showed an increase of over $220,000 at $529,432 reflecting increased dividends received from Kerr-Addison Gold Mines and Proprietary Mines.

Net aggregate value of assets as at July 31, 1949, taking securities at market value or less and taking other assets at "fair value" amounted to $20,882,571 broken down as follows: gold shares, $17,772,345; U. S. oil shares, $163,112; base metal shares, $1,028,031; bonds, $1,063,295; and cash, etc., $855,788.

Of total net assets, $20,524,629 represented cash and marketable securities at market value.

Interest in Kerr-Addison is equal to 0.748 of a Kerr-Addison share on each of 1.5 million issued Anglo-Huronian shares. Through a subsidiary, Prospectors Airways, an interest is taken in financing Newlund Mines.

INCOME ACCOUNT

Years Ended July 31:	1949	1948
Divds., int. & exch.	$529,432	$308,450
Add: Prof. in invest.	38,348	255,176
Less: Withholding tax	2,514	2,137
Gen. & ad. exp.†	88,997	93,386
Sundry w/o's	70,586	15,387
Depreciation	439	384
Net profit	405,244	452,332
Less: Dividends	375,000	300,000
Surplus for year	30,244	152,332

†After deduction of income from management service.

Earnings per Share	$0.27	$0.30
Paid	0.25	0.20

CONDENSED BALANCE SHEET

As at July 31:	1949	1948
Cash	$111,591	$339,312
Govt. bonds§	1,063,430	1,213,849
Accts., etc., rec.	386,254	104,216
Shs. in other cos.‡	5,642,788	5,442,050
Total curr. assets	7,204,063	7,099,427
Other invests.	173,380	......
Prep. & def. chgs.	981	807
Outside explor.	9,216	73,097
Shs. & adv. oth. cos.▲	357,942	500,213
Equipment	2,901	2,886
Total assets*	7,748,483	7,676,430
Accts. & divs. pay.	119,104	77,502
Taxes payable	......	3,278
Total curr. liab.	119,104	80,780
Capital stock	5,340,350	5,340,350
Surplus	2,289,029	2,255,300
‡Market value	18,963,488	16,239,657
§Market value	1,063,295	1,212,662
▲After res. of	1,773,007	1,773,007
Working capital*	7,084,959	7,018,647

*If investments taken at market value instead of cost, working capital $20,405,524 in 1949, $17,815,067 in 1948.

PROVINCE OF NOVA SCOTIA new issue of $9 million 3% debentures dated Dec. 15, 1949, and due Dec. 15, 1967, is being offered at $99.75 and accrued interest to yield about 3.02% by a large syndicate of investment dealers and banks headed by Wood, Gundy & Co., McLeod, Young, Weir & Co., Cochran Murray & Co. and the Bank of Montreal.

Proceeds are $4,300,000 for refunding the balance of an issue due Dec. 15, 1949; $1,800,000 for advance to the Nova Scotia Power Commission and the remainder for funding capital expenditures of the province, almost entirely for public buildings and equipment thereof. Annual sinking fund to be established will amount to 2% of the principal.

Buffalo Ankerite Makes Fine Profit

Buffalo Ankerite Gold Mines, in the red $285,017 in 1948, has been returned to a really profitable basis again under direction of the Moneta group headed by J. D. Barrington which assumed control earlier this year.

In the first nine months of 1949, operating profit totalled $156,000 after taxes but before write-offs. Estimated $80,000 of cost-aid is included.

After all charges, a net profit of $113,682 equal to 11.4 cents a share was reported for the nine months' period.

Bullion production amounted to $864,134. The company has enjoyed success in its program of eliminating mining of unprofitable sections. Ore developments have continued favorable in the current year and ore position has been well maintained, The Financial Post is informed.

Isle of Pines To Refinance

Plans to Resume Milling in March, 1950 — Open New Level

While a new sintering plant was completed last September and the new shaft reached its objective at 350 ft. in October, Isle of Pines found it necessary to submit a refinancing proposal to shareholders at a special meeting on Dec. 15, 1949, because finances proved inadequate due to unexpected difficulties.

A flat fault was found to have displaced A vein 60 ft. above the 200-ft. level. Relocation of the vein caused excessive dilution in stopes and the vein proved lower grade at the point of relocation. However, good ore is stated to exist between present stope backs and surface and downward extension of A vein is expected at the 325-ft. level.

$150,000 Arranged

To provide further needed funds it is planned to reorganize present capital on the basis of one new share for each three present shares with 1,251,900 reorganized shares to be issued of an authorized capital of 3.5 million shares.

Transcontinental Resources and associates agreed to underwrite up to a million shares of an offering of new shares at 15 cents. This latest offering is on the basis of one new share at 15 cents for each three shares now held. The new financing assures $150,000 for the treasury.

For underwriting services, Transcontinental and associates receive an option of 500,000 shares at 15 cents a share to Dec. 31, 1950, and a further option on 250,000 shares at 30 cents a share exercisable by Dec. 31, 1951. Record date for subscription rights is Dec. 15, 1949; rights expire on Dec. 31, 1949.

In order to put the mine in good physical shape, a development program has been started on the 200-ft. level both along the main vein to connect with No. 4 shaft area 1,200 ft. to the south and for exploration of known parallel occurrences. The 325-ft. level will be opened and, if this level responds to development, milling will be resumed next March.

Transcontinental and other holders of $135,000 of $155,698 of unsecured notes have agreed to allow interest to accumulate until the operation is in a proper position to liquidate interest payments. Transcontinental has also advanced $55,926.

Paymaster Makes Mining Deal With Buffalo Ankerite

Paymaster Consolidated Gold Mines has enlisted aid of Buffalo Ankerite Gold Mines in a deal whereby ground in Paymaster's most westerly claim lying between the 2,800 and 3,450-ft. horizons will be developed and mined by Buffalo Ankerite.

Development on lower levels at Buffalo-Ankerite in the north workings indicates certain ore shoots plunge into the adjoining Paymaster ground. This ground is more easily accessible from Buffalo workings than from the Paymaster. It is understood that the initial drive will get under way on the Buffalo 3,100-ft. level as workings are only about 100 ft. from the boundary at this horizon.

A gross royalty will be paid to Paymaster on a fluctuating basis, depending on the grade of ore extracted from the section and handled in the Buffalo-Ankerite mill. The deal will open an additional source of revenue for both companies.

An additional advantage to Buffalo-Ankerite is that company can "round a corner" to tap a claim which was not readily accessible previously due to serpentine, President J. D. Barrington informs The Financial Post.

KELORE MINES has terminated its financing agreement as option exercisable by Dec. 1, 1949, was not taken up.

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DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

NOTICE is hereby given that an extra distribution of TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the year ending 31st October, 1949, and that the same will be payable at the Bank and its Branches on and after TUESDAY, the THIRD day of JANUARY, 1950, to Shareholders of record at the close of business on 30th November, 1949. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART,
General Manager.

Toronto, 18th November, 1949.

SHEEP CREEK GOLD MINES LIMITED

(Non-Personal Liability)

NOTICE OF DIVIDEND NO. 38

Notice is hereby given that an Interim Dividend of two cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of January, 1950, to shareholders of record at the close of business on the 31st day of December, 1949.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 475 Howe Street, Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, or at their office, 437 St. James Street West, Montreal, P.Q., on or before 31st December next.

By Order of the Board.
James Anderson & Co. Ltd.,
Secretary.

Vancouver, B.C.,
December 7, 1949.

Canadian Bronze Company, Limited

DIVIDEND NOTICE

The Quarterly Dividend of 1¼% on the PREFERENCE STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of February, 1950 to Stockholders of record as of the 10th day of January, 1950.

Also a Quarterly Dividend of thirty-two (32c) Cents per Share, together with a Special year-end Dividend of Fifty (50c) Cents per Share, has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending January 31st, 1950. Payable the 1st day of February, 1950, to Stockholders of record as of the 10th day of January, 1950.

By Order of the Board,
W. C. PAQUETTE,
Secretary.

Montreal, P.Q.,
December 7th, 1949.

Canada Varnish Company Limited

DIVIDEND NOTICE

PREFERENCE SHARES

A dividend of Thirty-one and one-quarter cents (31¼c) per share on the 5% Cumulative Redeemable Preference Shares of the Company has been declared for the three months ending January 1st, 1950, payable on January 1st, 1950, to Shareholders of record December 19th, 1949.

By Order of the Board,
G. I. TAYLOR,
Secretary.

Toronto, Ontario
December 7, 1949.

Canadian Western Lumber Company Limited

DIVIDEND NOTICE

Notice is hereby given that four Dividends of Ten (10) Cents each per Share have been declared on the outstanding Shares of Canadian Western Lumber Company, Limited, payable in Canadian funds and payable respectively on 16th January, 15th April, 15th July and 16th October, 1950, to Shareholders of record four weeks before the respective dividend payment dates, all payments to be subject to the approval of the Foreign Exchange Control Board.

By Order of the Board.
W. A. WALKER,
Secretary.

Vancouver, B.C., December 5, 1949.

Highland-Bell Limited

DIVIDEND NO. 36

NOTICE is hereby given that a dividend of five cents (5c) per share has been declared by the directors of the Company, payable in Canadian funds, on January 5, 1950, to all shareholders of record at the close of business on December 17, 1949.

A. T. CARLSON,
Secretary-Treasurer.

Vancouver, B.C.,
December 1, 1949.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the one hundred and fifty-fourth quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum, for the quarter ending November 30, 1949, on the Preferred Stock of the Company, has been declared payable January 3, 1950, to shareholders of record December 9, 1949.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.
November 17, 1949.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 86

NOTICE is hereby given that a dividend of Forty cents (40c) per Share on Class "A" Shares has been declared for the three months ending December 31st, 1949, payable by cheque dated January 16th, 1950, to shareholders of record as at the close of business on December 31st, 1949. Such cheques will be mailed on January 14th, 1950, by the Montreal Trust Company from Vancouver.

By Order of the Board,
J. A. BRICE
Secretary.

Vancouver, B.C.
November 30th, 1949.

DIVIDEND NOTICES

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 321

Notice is hereby given that a Dividend of thirty-five cents per share on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of 31st December, 1949, and that the same will be payable on and after Wednesday, the first day of February next, at any of the offices of the Bank in Canada.

By Order of the Board.
C. S. FROST,
General Manager.

Halifax, N.S., 6th December, 1949.

DOMINION SQUARE CORPORATION

Notice is hereby given that a dividend of one dollar ($1.00) a share has been declared on the capital stock of the Corporation for the quarter ended 31st October, 1949, payable 16th January 1950 to shareholders of record at the close of business on the 15th December 1949.

By order of the Board:
J. S. McFARLAND
Secretary

WESTERN BREWERIES LIMITED

NOTICE OF DIVIDEND

NOTICE is hereby given that a quarterly dividend of forty cents (40c) per share, has been declared on the outstanding no-par-value shares of the issued capital stock of this Company, payable on the sixteenth day of January, 1950, to the shareholders of record as at the close of business on the thirty-first day of December, 1949.

By Order of the Board of Directors.
E. F. GALBRAITH
Secretary-Treasurer

Winnipeg, Manitoba.
December 9th, 1949.

Consolidated Bakeries of Canada Limited

NOTICE IS HEREBY GIVEN that a final dividend for the year 1949 of twenty-five cents (25c) per share on the outstanding shares in the capital stock of Consolidated Bakeries of Canada Limited, has been declared payable on the 1st day of February, 1950, to shareholders of record at the close of business on the 3rd day of January, 1950.

By Order of the Board.
H. O. NEALE,
Secretary.

MAILMAN CORPORATION LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of twenty-five cents (25c) per share has been declared on the outstanding Common Shares of the Corporation for the quarter ending October 31st, 1949, payable January 3rd, 1950, to Shareholders of record at the close of business on December 20th, 1949.

By Order of the Board.
WM. F. MACKLAIER,
Secretary.

Montreal, December 7th, 1949.

The B. Greening Wire Company Limited

Common Dividend No. 49

NOTICE IS HEREBY GIVEN that at a meeting of the Directors of The B. Greening Wire Company Limited, held in the office of the Company on November 28th, 1949, a dividend of Five cents per share on the Common Shares of the Company was declared payable January 3rd, 1950, to shareholders of record December 15th, 1949.

F. J. MAW,
Secretary.

Hamilton, Ont., November 29, 1949.

DOMINION FABRICS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of 75c per share has been declared on the First Redeemable 6% Cumulative Preference shares, a dividend of 37½c per share on Second Cumulative Participating Preference shares and a dividend of 20c per share on the Common shares of the Company for the quarter ending January 31, 1950, payable February 1, 1950, to shareholders on record January 16, 1950.

By Order of the Board,
WILLIAM CAMELFORD,
Secretary.

SUN LIFE ASSURANCE COMPANY OF CANADA

Head Office : Montreal

—STOCK TRANSFER DEPARTMENT—

Notice is hereby given that a dividend of five dollars ($5.00) per share on the Capital Stock of the Company has been declared for the quarter ending December 31st, 1949, and will be paid on January 1st, 1950, to shareholders of record at the close of business December 16th, 1949.

The Stock Transfer books of the Company will be closed from December 17th to December 31st, both dates inclusive, for preparation of the above dividend.

By Order of the Board.
F. J. CUNNINGHAM,
Secretary.

GENERAL PETROLEUMS LIMITED

Notice to Shareholders of Annual Meeting

NOTICE is hereby given that the Eighth Annual General Meeting of the Shareholders of General Petroleums Limited will be held at the Head Office of the Company, 509 Eighth Avenue West, in the City of Calgary, in the Province of Alberta, on Monday, December 19th, 1949, at 10:30 a.m. o'clock, for the purpose of receiving Report of the Directors, Balance Sheet and Profit and Loss Account for the year ending 30th September, 1949, and the Report of the Auditor thereon, the Election of Directors and Auditor, and the transaction of such other business as may properly come before the meeting.

The Transfer Books of the Company will be closed from December 16th, 1949, to December 20th, 1949, inclusive.

By order of the Board,
H. E. HOWARD,
Secretary.

Calgary, December 9th, 1949.

OIL PRODUCTION

Many Further Oil Wells Expected at Woodbend

From Our Own Correspondent

CALGARY — Substantial further productive drilling is in prospect for the Woodbend field area shared by Anglo-Canadian, Home Oil and Calgary & Edmonton on the basis of the prospectus issued this week in connection with sale of $4 millions of convertible debentures of Anglo-Canadian Oil Co.

Of this area, where Anglo-Canadian and associates have successfully completed 11 wells, including two recent wells, the prospectus states:

"At Woodbend the company has a 52.5% interest in nine producing wells, and drilling results and engineering indicate that an additional 17 to 21 productive wells may be obtained on an adjacent to present producing properties." Company's share in Woodbend oil reserves are estimated at 4,108,589 bbls.

* * *

Joseph Lake Gets $3.25

Joseph Lake, Alberta's first Viking sand oil field, delivered 7,398 bbl. of crude to Imperial Oil loading racks at Nisku in November, where oil fetched $3.25 a barrel to yield a gross of $24,006. Output is from four wells, drilled by the independent team of Superior Oils, General Petroleums, Kroy Oils of Calgary, Jupiter Oils of Toronto.

During November the team added its fourth producer. The discovery well was placed on production last April, while the second and third successes completed in October. Between completion of third and fourth producers the team drilled its only Joseph Lake failure.

As the first oil producer from a formation previously known only as a major source of natural gas in Alberta, the performance of the Joseph Lake field rates comment.

November's deliveries boosted net oil output from Joseph to 24,007 bbl., of which the discovery well has accounted for 15,715 bbl., including 1,762 bbl. in November. No. 2 well delivered 1,235 bbl. in November for cumulative 2,122 bbl. No. 3 delivered 3,133 bbl. for cumulative 4,902 bbl. No. 5 delivered 1,268 bbl., its first oil, in November.

* * *

10 New Lloyd Wells

A total of 10 new wells were drilled in the Lloydminster area in November, according to information supplied The Financial Post by the Lloydminster Petroleum Association. All 10 were on the Saskatchewan side of the boundary.

Four of the wells were completed by Franco Oils with Sparky contacted at depths ranging from 1,830 to 1,900 ft. in each well. All these wells were in the Lone Rock area.

Docana No. 1 well (Maidstone) found the Sparky zone at 1,725 ft. while Caldough No. 7 well in the same area found it at 1,633 ft.

M. & S. No. 3 well in the Dulwich sector found the Sparky at 1,811 ft. while the Mammoth-Capitol No. 1 well in the same area found it at 1,816 ft.

Phillips Pete. No. 1 well at Lashburn found the Lower Cretaceous at 1,603 ft. and the lime at 2,138 ft.

Marion No. 5 well, Lloydminster, got the Sparky sand at 1,816 ft.

DIVIDEND NOTICES

THE CONSOLIDATED MINING AND SMELTING COMPANY OF CANADA, LIMITED

DIVIDEND NO. 89

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, with an extra distribution of $3.00 per share, on the paid-up Capital Stock of the Company, has this day been declared for the six months ending 31st December, 1949, payable on the 16th day of January, 1950, to shareholders of record at the close of business on the 19th day of December, 1949.

By Order of the Board,
L. O. REID,
Secretary.

Montreal, P.Q.,
December 12th, 1949.

ERIE FLOORING & WOOD PRODUCTS LIMITED

Dividend Notice

Class "A" Shares

NOTICE is hereby given that a dividend of thirty cents (30c) per share on the outstanding Class "A" Shares of the Company has been declared payable on the 31st day of December, 1949, to shareholders of record as of the close of business on the 15th day of December, 1949.

Class "B" Shares

NOTICE is hereby given that a dividend of fifty cents (50c) per share on the outstanding Class "B" Shares of the Company has been declared payable on the 31st day of December, 1949, to shareholders of record as of the close of business on the 15th day of December, 1949.

DATED at Toronto this 8th day of December, 1949.

By Order of the Board.
E. S. LIVERMORE,
Secretary.

UNITED DISTILLERS OF CANADA

NOTICE OF DIVIDEND

Notice is hereby given that a Dividend of $1.00 per share has been declared by the Directors of the United Distillers of Canada Limited, payable in Canadian Funds, on January 4th, 1950, to shareholders of record at the close of business on December 29th, 1949.

The Transfer Books will be closed from the 30th day of December, 1949, to the 12th day of January, 1950, both dates inclusive.

By Order of the Board,
N. H. PETERS,
Secretary.

Vancouver, B.C.,
December 8th, 1949.

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1949.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1949.

Notice is also given that an extra dividend of One Dollar and Twenty-five Cents ($1.25) per share has been declared on the COMMON STOCK of the Company.

The above Dividends will be paid on Monday, the 16th day of January, 1950, to shareholders of record at the close of business Thursday, the 29th day of December, 1949.

By Order of the Board.
F. N. DUNDAS.
Secretary.

Montreal, 23rd November, 1949.

NOTICES

THE BANK OF TORONTO

ANNUAL GENERAL MEETING

The Annual General Meeting of the shareholders will be held at the Head Office of the Bank, King and Bay Streets, Toronto, on Wednesday, the Eighteenth day of January, 1950, the chair to be taken at noon.

By Order of the Board.
L. G. GILLETT,
General Manager.

Pipe Line Tankers Bonds Are Sold

The bond issues of the new Canadian company, Pipe Line Tankers Ltd., was officially offered and quickly sold this week.

The issue consisted of $4,320,000 2¾% serials due Dec. 1, 1951-59 ($480,000 a year); $2,400,000 3% serials due Dec. 1, 1960-64 ($480,000 a year) and $1,280,000 3¼% due Dec. 1, 1965.

Bonds were sold to yield a 3.15% basis on the average by Wood, Gundy & Co. and McLeod, Young, Weir & Co.

The company was formed to own two large oil tankers to be built in Canada and leased to Imperial Oil (The Financial Post, Nov. 19).

Amherst Power Plant Boosted to 40,000 HP

From Our Own Correspondent

AMHERST — A $3 millions extension to the Maccan plant of the Canada Electric Co. was officially opened this week by Premier Angus L. Macdonald of Nova Scotia, who released the throttle which started the 20,000 horsepower turbines in motion.

The big plant, using pulverized coal from the nearby mines of Cumberland County, will now have an output of 40,000 horsepower of electrical energy.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$20.95	$20.47	$22.18
Hogs	28.60	28.60	30.47
Copper, lb.	.18½	.18½	.23½
Sugar, raw, lb.	.0520	.0535	.0523
Coffee, lb.	.48½	.51	.27⅞
Hides	.25	.25	.27
Weekly Indices			
U. S. Labor	151.0	151.4	162.4
Dow Jones	136.10	136.33	144.02
Fisher's	161.0	160.5	171.2
Monthly Indices			
Retail (Nov.)†	161.7	162.2	159.6
W'sale (Oct.)	157.1	155.4	159.3
U. S. (Aug.)	153.0	153.6	169.4
Gt. Brit. (Sept.)	229.7	228.6	219.3

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Municipal Bonds

Dec. 15, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'55-66	98¼	100¼	3.73
Vancouver	3¾	'69	99	101	3.68
Calgary	3½	'69	98½	101	3.50
Edmonton	3½	'69	98½	100½	3.46
Regina	3	'64	90½	92½	3.65
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg	3	'69	98	100	3.00
Ottawa	3¼	'68	103	105	2.80
Toronto	3	'68	99	101	2.92
Hamilton	3	'67	98½	100½	2.96
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3½	'75	88	91	4.05
Montreal	3	'70	93	96	3.27
Quebec	3½	'64	99	100	3.50
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99	102	3.34

Company Meetings

1949	Company	Place
Dec. 15	Maple Leaf Milling	Toronto
Dec. 15	Dom. Glass	Montreal
Dec. 15	Molsons	Montreal
Dec. 16	So. Can. Pwr.	Montreal
Dec. 19	Candn. Ind. Alcohol	Montreal
Dec. 19	Gen. Pet.	Calgary
Dec. 19	Murphy Paint	Montreal
Dec. 19	Nor. Can. Mines	Toronto
Dec. 19	Twin Rap. T.	Minneapolis
Dec. 20	Guaranty Tr.	Toronto
Dec. 21	Anglo-Candn. Oil	Calgary
Dec. 22	Candn. Car	Montreal
Dec. 30	Gen. Products	London, Ont.
Jan. 10	Bk. Candn. Nat.	Montreal
Jan. 12	Royal Bank	Montreal
Jan. 18	Kelvinator	London, Ont.

Imperial Holding One-Third Equity In Pipe Line Co.

Ownership of the Interprovincial Pipe Line Co. has been clarified somewhat.

Speaking in Toronto last week, Dr. O. B. Hopkins, vice-president of Imperial Oil, stated that, as Imperial Oil's primary concern in sponsoring Interprovincial Pipe Line Co. was getting the oil to market, not in getting into the pipeline business, Imperial was retaining only one-third of the equity in the pipeline company.

Other oil companies, who like Imperial, are guaranteeing traffic for the line and so making it financially possible, will hold 25%, he added. The remainder, just short of 42%, is in the hands of the general public.

Canadian Oil Companies subsequently announced that it had taken a 5% interest in the company. It has purchased $850,000 of debentures and 1,000 common shares and has undertaken to guarantee to utilize 5% of the minimum throughput of the line.

Public Bank Deposits Near $7 Billion Mark

Maclean Public Bank Deposits—

Public deposits in the chartered banks, including savings and demand accounts, on Oct. 31 reached a new high level at $6,972 millions, within $28 millions of the $7 billion mark, the regular return of the banks to the Finance Minister as at Oct. 31 reveals.

Of the total increase, $41 millions was in savings deposits, $15 millions in demand accounts. The rise in savings deposits marks a continuation of a trend in effect for several months, with the exception of May and June when moderate recessions were shown. The increase in October, like that in September is partly due to farmers' receipts from crops, fall sales of cattle, etc. Rise in demand deposits probably partly reflects receipts from business loans. Dominion Government deposits were down for the month, up for the year. Provincial Government deposits were higher for month and year. In all cases however Canadian October deposits were well above 1948 levels.

Loans up $66 Millions

Total loans showed an increase of over $66 millions, current loans were $28 millions higher, partly due to grain loans, partly to the demands from general business for bank credit. The rise in current loans a year ago was $80 millions. The wheat crop this year was about 18 million bushels less than in 1948 while export clearances in 1949 have been heavier. Some banks report that due to these factors and the rate of crop movement, their grain loans were lower in October than in September.

A rise of $33 millions in call loans was attributable to more active stock markets. Provincial Government loans were up for the month and a year ago. Municipal loans down for the month, up for the year.

Business of the Canadian banks abroad reflects a decline in call loans, a rise in current loans. Foreign deposits were lower for the month and for the year. Chartered bank note circulation on Oct. 31 was down $2.4 millions from last year.

Important figures from the statement, with comparisons, in adjoining table.

Use of Bank Credit in Canada
(In Millions of Dollars)

	Oct. 1949	Sept. 1949	Change	Oct. 1948	Change
Loans	2,473.4	2,406.9	+66.5	2,206.8	+266.6
Investments	4,327.1	4,463.3	—136.2	4,156.0	+171.1
Total	6,800.5	6,870.2	—69.7	6,362.8	+437.7
Deposits	6,972.1	6,915.6	+56.5	6,381.3	+590.8
Credit index*	35.5%	34.8%	+0.7	34.6%	+0.9

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS
Immediately Available Liquid Assets
(In Thousands of Dollars)

	Oct. 1949	Sept. 1949	Change	Oct. 1948	Change
Canadian coin	11,482	11,455	+027	9,907	+1,575
Bank of Canada notes	192,798	166,022	+26,776	160,409	+32,389
Bank of Canada deposits	625,907	611,513	+14,394	580,960	+44,947
Bank's cash	830,187	788,990	+41,197	751,276	+78,911
Gold sub. coin adb.	2,576	2,634	—058	3,161	—585
Foreign currency	216,008	222,089	—6,081	195,285	+20,723
Foreign banks	107,364	112,178	—4,814	96,774	+10,590
Call loans abroad	77,085	97,365	—20,270	70,583	+6,502
Government securities:					
Dom. short term	895,052	1,080,295	—185,242	774,828	+120,225
Prov. short term	101,921	92,164	+9,757	119,200	—17,279
Dom. long term	2,203,189	2,176,680	+26,509	2,130,249	+72,940
Prov. long term	326,755	326,109	+646	336,178	—9,423
	4,760,148	4,898,504	—138,336	4,477,544	+282,604
Loans and Securities Other Than Those of Canadian Governments					
Municipal secs.	160,542	158,801	+1,741	138,211	+22,331
Public secs.♦	247,006	238,047	+8,959	246,380	+626
Other secs	392,661	391,226	+1,435	410,997	—18,336
Can. call loans	137,075	103,279	+33,796	97,219	+39,856
Current loans	2,212,660	2,184,063	+28,597	2,010,708	+201,952
Loans abroad	214,168	213,646	+522	241,401	—27,233
Prov. loans	48,687	41,947	+6,740	32,306	+16,381
Mun. loans	75,027	77,631	—2,604	66,597	+8,430
	3,487,826	3,408,640	+79,186	3,243,819	+244,007
Other Assets					
Noncurrent loans	1,124	1,396	—472	1,064	+060
Real estate	495	514	—019	519	—024
Mortgages	696	696	—	969	—273
Premises	85,536	86,691	—1,155	77,079	+8,457
Letters of credit	169,810	161,983	+7,827	207,696	—37,886
Loans to comp.	15,608	15,103	+505	11,791	+3,817
Other assets	6,358	6,783	—425	8,438	—2,080
	279,628	273,366	+6,262	307,557	—27,929
Total	8,527,602	8,580,509	—52,907	8,028,920	+498,682
Notes in circ. dep.	823	820	+003	934	—111
Int. bank bal.	414,704	397,272	+17,432	294,213	+120,501
Gross	8,943,129	8,978,602	—35,473	8,324,067	+619,062
LIABILITIES					
To the Public					
Circulation	14,123	14,286	—163	16,523	—2,400
Dom. Govt.	298,134	403,659	—105,525	275,495	+22,639
Prov. Govt.	170,542	154,666	+15,876	141,009	+29,533
Deposits by Public					
Demand dep.	2,519,429	2,504,105	+15,324	2,341,433	+177,996
Savings dep.	4,452,718	4,411,460	+41,258	4,039,906	+412,812
Total	6,972,147	6,915,565	+56,582	6,381,339	+590,808
Foreign Deposits					
Dep. elsewhere	666,638	687,385	—20,747	725,974	—59,336
For. curr. in Canada	81,133	82,138	—1,005	77,801	+3,332
Total	747,771	769,523	—21,752	803,575	—55,804
Due to Banks Abroad					
United Kingdom	40,173	40,595	—422	39,061	+1,112
Foreign	83,290	88,659	—5,369	83,820	—530
Letters of credit	169,810	161,983	+7,827	207,696	—37,886
Other liab.	8,623	6,706	+1,917	6,072	+2,551
Total public liab.	8,504,613	8,555,641	—51,028	7,954,590	+550,023
Due other banks	82,795	74,804	......	21,011	......
Liability to Shareholders					
Dividends	5,196	1,539	+3,657	5,103	+093
Reserve	190,500	186,500	+4,000	181,750	+8,750
Capital stock	145,500	145,500	......	145,500	......
Gross	8,928,604	8,963,985	—35,381	8,307,953	+620,650

♦Other than Canadian.

Staff Changes

Chartered banks announce the following staff changes:

Royal:

F. H. B. INCE, manager, Hintonburgh, Ottawa, to be manager, Glebe, Ottawa.

W. E. KNIGHT, Regina, Sask., to be manager, Lanigan, Sask.

A. G. DICKIE, accountant, Windsor, N.S., to be assistant manager, Saint John, N.B.

T. S. DOBSON, supervisor's department, Toronto, to be assistant manager, Calgary, Alta.

J. F. McGILLIVRAY, assistant manager, Saint John, N.B., to be assistant manager, Edmonton, Alta.

R. B. COX, Camrose, Alta., to be accountant, Three Hills, Alta.

G. R. D. WATSON, Glebe, Ottawa, retires.

* * *

Nova Scotia:

G. W. HARTWICK, to be manager, Mount Royal Ave. and St. Urbain, Montreal.

Investment Trust

	Bid	Ask.
Affiliated Funds	4.08	4.41
Can. Int. Trust	4.80	5.25
Can. Invest. Fund	4.90	5.35
Can. Invest. Corp.	8.00	8.75
Corporate Invest.	8.69	9.39
Comonwealth Int.	3.57	3.92
Trans-Canada	14.15	....
Do. B	....	15.10

Bond Tenders

12 noon, Dec. 8, 1949, Government of Canada Treasury Bills, payable Mar. 10, 1950, $75,000,000, dated Dec. 9, 1949.

Lay Pipeline Pipe Starting Feb. 1

From Our Own Correspondent

EDMONTON—Laying of pipe under the ice of the South Saskatchewan River near Saskatoon about Feb. 1 will mark the beginning of the actual construction of the $90-million Edmonton-Superior, Wisc., oil pipeline, E. W. Davis, vice-president of Canadian Bechtel Construction Co., stated.

He was in Edmonton to prepare for work in the spring which will see 441 miles of pipeline laid to Regina by Oct. 1. Contractors building the line are Canadian Bechtel, with offices in Edmonton and Toronto; International Bechtel of San Francisco; and Fred Mannix Co. Ltd., of Calgary.

Main work will commence about May. Davis said that while many top men in the project will be American, majority of the pipeline crews will be recruited in Edmonton and Calgary. Laborers will be drawn from districts through which the line runs.

Grain Prices

Chicago Futures

Week to Dec. 12, 1949

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Dec. 12
		Wheat—			
2.22¼	1.81	Dec.	2.22¼	2.18¼	2.21¾
2.21¼	1.86	Mar.	2.21¼	2.18¼	2.20¾
2.16¼	1.91¼	May	2.15¾	2.13¼	2.14¾
1.99	1.84	July	1.98¾	1.95¾	1.96¾
1.98¼	1.95¼	Sept.	1.98¾	1.95¼	1.96¼
		Corn—			
1.36¼	1.00¼	Dec.	1.30¼	1.27¾	1.30
1.32¼	1.13¼	Mar.	1.32¾	1.29¾	1.31¾
1.32¾	1.15¾	May	1.32¾	1.30¼	1.31¼
1.31¾	1.19	July	1.31¼	1.29¾	1.30¾
1.29¾	1.26¼	Sept.	1.27¼	1.26¼	1.26¼
		Oats—			
.78¼	.54¼	Dec.	.77¼	.75¼	.76¾
.76	.62¼	Mar.	.75¼	.74¾	.75
.73¼	.59¼	May	.73¼	.71	.72
.67¼	.56¼	July	.67	.65	.65¾
.66¼	.64	Sept.	.66¼	.64	.64¼
		Rye—			
1.63	1.33¼	Dec.	1.44¼	1.41¼	1.42¼
1.50¼	1.42	May	1.50¾	1.48	1.48¼
1.52¼	1.39	July	1.51	1.48¼	1.48¼
1.47	1.45¼	Sept.	1.47	1.45¼	1.46¼
		Soybeans—			
		Dec.	2.34¾	2.30	2.30¾
		Mar.	2.36	2.31¾	2.33¼
		May	2.33¼	2.30	2.31¼
		July	2.30¼	2.27¼	2.28¼

Chicago Cash

	For Week Dec. 12 High	Low	Prev. Week High	Low
Corn—				
2 Yel.	1.33	1.29¼	1.35	1.31¼
Oats—				
1 H. Wh.	.79¼	.76¼	.81	.78

Winnipeg Futures

Week to Dec. 12, 1949

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Dec. 12
		Oats—			
.84¾	.69¾	Dec.	.84¾	.81¾	.82
.83¼	.69¾	May	.83¼	.80¾	.81
.80	.76¼	July	.80	.78¼	.78¼
		Barley—			
1.48¾	1.10¾	Dec.	1.41¾	1.35¼	1.36¾
1.45¾	1.09¼	May	1.41	1.33¾	1.36
1.41¼	1.27¼	July	1.34¾	1.28¼	1.29¼
		Rye—			
1.58¾	1.30	Dec.	1.58¾	1.54	1.55¼
1.64	1.32¼	May	1.64	1.58¾	1.60¼
1.60¾	1.42¼	July	1.60¾	1.55	1.55¼
		Flax—			
3.80	3.30	Dec.	3.80	3.79¼	3.79¼
3.78	2.62	May	3.76¼	3.74¼	3.74¼
3.70	3.63	July	3.70	3.70	3.70

Winnipeg Cash

	For Week Dec. 12 High	Low	Prev. Week High	Low
Oats—				
2 C. W.	.84¼	.82¼	.86¼	.84¼
3 C. W.	.81¼	.79¼	.82¼	.81¼
Barley—				
1 Feed	1.37¼	1.32¼	1.39¼	1.37¼
2 Feed	1.33¼	1.29¼	1.37¼	1.33¾
1 Malt	1.59¼	1.54¼	1.61¼	1.59¼
Rye—				
2 C. W.	1.58¼	1.54¼	1.57¾	1.50¼
Flax—				
1. C. W.	3.79¼	3.79¼	3.80	3.79¼

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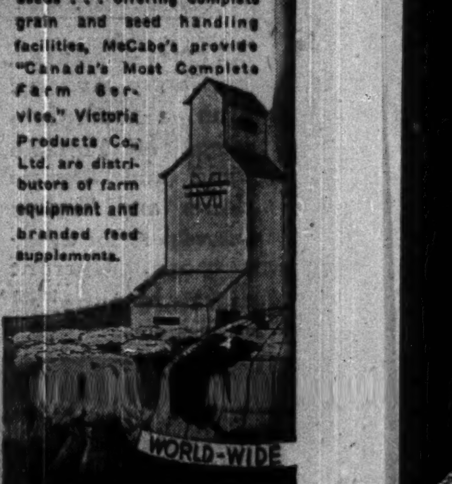
TERMINAL ELEVATOR — FT. WILLIAM, ONT.
GRINDING PLANTS and FEED MILLS
GRAIN SHIPPERS - EXPORTERS - GRAIN FUTURES



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MINING INVESTMENTS

Higher Capital Costs Discourage New Mills

While Canadian gold production is soaring steadily upward, the flow of new gold producers has dwindled sharply. Only two new gold mills—those of Campbell Red Lake and Howe Sound—turned over in 1949. The trouble: capital costs of equipping a new gold mine far outdistance profit prospects for most properties at present level of costs.

In early postwar years, a flood of new gold mines emerged which today are partly responsible for expansion of gold output. But cost of financing them proved away beyond preliminary estimates. And now that the gold mine financial market is at a low ebb, only the odd company is toying with a mill decision.

Nevertheless there is still a fairly wide range of gold properties for which milling plans would probably be considered if operating and capital costs were to drop. The most outstanding of these are Croinor, Lake Wasa and Bevcourt. Lunward, which is completing a new shaft, could also quickly become a prospect for a mill.

While Discovery Yellowknife is apparently the only company completing a new gold mill at the present time, efforts are being made to increase gold production without building new mills. New Jason Mines recently reopened its mill. Powell Rouyn also has reopened its mill for treatment of custom ore. Quesabe not long ago started shipping gold ore to the Noranda smelter. But most companies are still extremely chary of laying any plans to install their own mills.

• • •

22 Extra Golds Get Aid

In its December news bulletin, the Canadian Metal Mining Association points out that 22 additional gold mines qualify for additional assistance for 1948 under Section 1 (2a) of the amended Emergency Gold Mining Assistance Act which declares a gold mine is entitled to receive cost-aid on one third of its annual production in any of three designated years.

As a further consequence of this provision, gold mines which were compelled by circumstances to close down in any one designated year are now entitled to receive cost-aid on one third of their production, whether they operated for the whole of the designated year or not. Some six mines will be entitled to assistance under this provision for 1949, the Association states.

• • •

"Bull Mart" Hits Golds

Is part of the weakness of several leaders in the Canadian mining market attributable to the "bull market" in New York industrials? And will the issues referred to act better after the turn of the year?

A number of sources think that both these questions can be answered in the affirmative with respect to International Nickel, Dome, Wright-Hargreaves, perhaps a few others. Here is the reasoning:

With the Dow-Jones N. Y. industrial average selling up to the highest level in recent years, relatively few issues are available to Americans which can be sold to establish a loss for tax purposes. (The U. S. has a capital gains tax.) Issues such as International Nickel and Dome, however, have been selling at relatively low levels. The thought now is that they have been pushed down even further by "tax selling."

If the tax selling theory is correct, a good chance exists that the shares will recover somewhat after the turn of the year.

• • •

Canada & Titanium

Will Canada lead the world in production of titanium, the potentional miracle metal of the 20th century which resembles stainless steel but is lighter in weight?

"Due to the size of Quebec's deposits, this province could become the titanium dioxide centre of the world and, as more skilful and economic techniques of refining are developed, of the metal itself," declares the C-I-L Oval in its December issue.

Quebec's Allard Lake area possesses the world's largest known deposits of titanium ore and the program of Kennecott Copper and New Jersey Zinc to turn out titanium oxide and iron ore may run into $30 millions, the Oval believes.

Many uses besides paints, plastics, paper, textile printing are seen:

"Titanium may soon serve many other industries. As a metal, it may be used for aircraft, textile machinery, automotive pistons, spring balances, sporting goods, gas turbine parts, electrical resistances, television; as an alloying element in nickel welding, gas turbine parts, condenser tubes, superchargers, cutting tools (it will cut glass), enameling steels, magnets."

United Keno Sells 120,000 Shares At $3.50 Each

A directors' meeting of United Keno Hill Mines early this week confirmed sale of 120,000 treasury shares at $3.50 a share to net the treasury $420,000. Purpose: to supply working capital and reduce borrowing necessary to finance operations through the winter until smelter returns are received.

Purchasers were stated to be Draper Dobie & Co. and associates. While no announcement was made as to the "associates," Ventures Ltd. is reported to have been interested in the purchase. The price at which the sale was completed was the price of the stock at the date the transaction was negotiated.

United Keno officials this week pointed out that the sale of a small block of treasury shares will probably reduce bank borrowing requirements by half, and will bring materially nearer the date when dividend return can be expected.

Bordulac Extends Indicated Zone

Diamond drilling carried out recently at the property of Bordulac Mines is stated to have established the presence of gold-bearing quartz and sulphide veins over a length of 3,100 ft., filling in the 1,500-ft. gap between the underground workings eastward to original surface showings and extending the zone to west of the shaft and to east of the original surface exposures.

Two drill holes west of the shaft are stated to have extended to a length of 450 ft. the two high-grade quartz sulphide veins opened underground.

Prospecting has located a strong quartz sulphide vein containing gold values 2,500 ft. to the east of any hitherto known gold-bearing showings and on strike of the regional shearing. Minor amounts of chalcopyrite occur. Approximately 500 ft. east, strike of the shear is toward a brecciated rhyolite area several hundred feet in width.

Underground work is stated to have shown zones to be more continuous and stronger than at surface.

A progress report is to be issued to shareholders shortly.

Smelter Dividends Close to Record

A regular semi-annual dividend of $1.50 a share plus an extra of $3.00 a share have been declared by Consolidated Mining & Smelting Co. of Canada, both payable Jan. 16, 1950, to shareholders of record Dec. 19, 1949.

This compares with $1.50 regular plus $4.50 extra declared late in 1948 for payment in January, 1949, brings 1949 dividend declarations to $9.50 a share, a total exceeded only in the previous year when dividend declarations aggregated $11 a share.

Distributions, on the basis of 1949 operations, thus total $31.1 millions. C.P.R. owns 1,682,500 of 3,276,329 issued Cominco shares.

CONSOLIDATED DUQUESNE MINING CORP. has received payment for 50,000 shares at 55 cents a share, part of Dec. 6 installment of 100,000 shares under agreement with David Agency. Balance of installment has been extended for 60 days, provided that if negotiations with the Quebec Hydro-Electric Power Commission for a contract covering supply of power for electrification of the mine are not successful, option will be cancelled. Issued capital is 2,682,971 shares, leaving 817,029 in treasury.

Nickel 1949 Use Off 15% But Prospects Seen Fair

"Because of the very broad diversification of uses of nickel and its alloys in the industrial world and the wide range of their properties, it is expected that consumption will be well maintained during 1950," declares Robert C. Stanley, chairman of the board, International Nickel Co. of Canada.

"Total world consumption of Canadian nickel in all forms for the year 1949 is expected to be about 15% lower than in 1948 when a new peacetime record was established," Mr. Stanley commented in regard to this year's business.

"During the early part of the year," Mr. Stanley continued, "nickel sales remained high and were comparable to the volume achieved in the previous year. A sharp drop in the period May through August, however, was followed by improvement during the remainder of the year to date, despite the fact that consumption was adversely affected in the autumn months by the steel and coal strikes in the United States.

Output Rate Reduced

"The fall in demand for various metals, including nickel, required a reduction of nickel production by International Nickel bringing the rate of the last half of the year to approximately 15% below the previous level.

"French production of nickel showed an increase over the preceding year although it was still relatively small as compared with Canadian. Most of this output comes from mines in New Caledonia. The Cuban mines remained closed and no production was reported from that country. Russia continued to produce nickel but, as has been the case for years, no information was made available on its output of the metal.

"The United States again was the largest consumer of Canadian nickel, with approximately 65% of the total being used in that country. Consumption in the United Kingdom was about 20%. These two countries with Canada accounted for approximately 88% of consumption. The remainder went to other countries throughout the world. The United States price of nickel continued unchanged throughout the year. Other world prices were adjusted at the time of the currency devaluations in September to retain parity with United States prices.

"International Nickel continued this year its extensive plant program in Canada designed to improve production methods, to reduce costs, and to make use of the great reserves of low-grade ore which heretofore had been deemed unprofitable."

Hold Position in Alloys

Nickel still finds its greatest use as an alloy in the steel industry although Mr. Stanley notes a decreased use in this field in 1949:

"As has been the case ever since the development of nickel alloy steels in the latter part of the nineteenth century, the use of nickel as a major alloying element by the United States and Canadian steel industries accounted for the chief proportion of this metal's consumption.

"While the total demand for nickel by the steel industry throughout the world decreased during the year by reason of reduced production of alloy steels, the relative percentage employed for alloy engineering steels did not show any appreciable change. The 'triple-alloy' steels, containing nickel, chromium and molybdenum, continued their popularity in numerous industries for vital machine parts."

Although final figures for production of stainless steels for 1949 are expected to be lower than those of the peak 1948 year, such steels will again account for a large portion of the steel industry's nickel consumption, Mr. Stanley indicated.

Two patents were granted by the U. S. patent office in October to Inco covering development of new magnesium-containing cast iron and this field may have "the incidental effect of affording further opportunities for use of nickel."

Unrest in the Far East and depreciation of currencies delayed projected monetary reforms but Spain commenced introduction of pure nickel coins and Belgium and Israel decided to use cupronickel coinage during the year.

OSC Options

Details on mine financing agreements have been released by the Ontario Securities Commission as follows:

BEAUPORT GOLDFIELDS—By agreement of Sept. 20, 1949, Baylord Securities agreed to purchase 100,000 shares at 5c a share payable by Jan. 15, 1950, and received option on a further 1,400,000 shares at 5 to 50 cents a share. Authorized capital of the company is 3.5 million shares of which 1,165,005 issued (1,048,000 in escrow). Accepted for filing Nov. 30, 1949.

KABOUR MINES—By agreement of July 25, 1949, Joseph Mercier agreed to purchase 100,000 shares at 5 cents a share payable Nov. 23, 1949, and received option on a further 900,000 shares at 5 to 30 cents a share. Authorized capital of the company is 3.5 million shares of which 1,155,005 issued (1,035,000 in escrow). Accepted for filing Nov. 30, 1949.

GOLDMAQUE MINES—By agreement of Oct. 11, 1949, Northland Enterprises received option on 500,000 shares at 20 cents with proviso that balance of treasury stock shall not be offered for sale until expiration of option June 1, 1950, or later if so provided. Authorized capital of the company is three million shares of which 1,706,815 issued (630,000 in escrow). Accepted for filing Dec. 5, 1949.

LA SALLE YELLOWKNIFE GOLD MINES—Amended statement filed to bring prospectus up to date and to cover acquisition of additional properties. Accepted for filing Dec. 6, 1949.

SUDBURY CONTACT MINES Dec. 9 installment of 40,000 shares at 10 cents a share under agreement with Mentor Exploration & Development Co. has not been exercised and agreement has been terminated.

CONSOLIDATED HOWEY GOLD MINES shares were posted for trading on the Toronto Stock Exchange Dec. 12 with ticker abbreviation CHY. Shares of Howey Gold Mines, predecessor company, were removed from trading at the same time.

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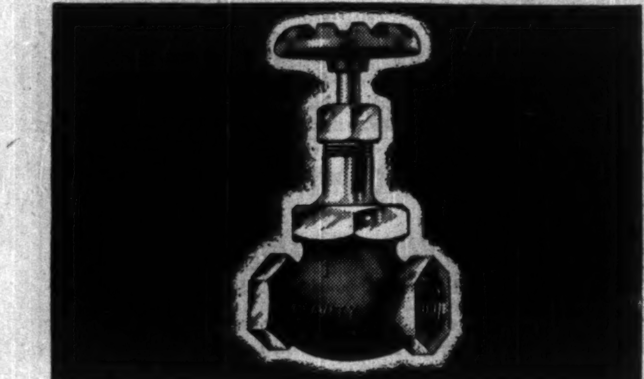

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JACK: Mind answering another question about Exporting, Bill . . . or, to be more exact, about Importing? Tell me, have you had any experience in importing from England, and if so, how do you arrange the shipping?

BILL: Glad to discuss it, Jack, because we bring in supplies of a certain material from England regularly. All the shipping arrangements are made by—

JACK: Don't tell me you can use Canadian-European Forwarders for Importing, too!

BILL: Why, sure! They do it through their Associate English Company, Arbuckle Smith and Co. Ltd., who have their own offices in every port of Great Britain, as well as in the principal inland towns. They are the leading people in their line, and give us wonderful service.

JACK: Well, that's certainly a help to have one concern look after both your import and export traffic.

BILL: Sure is! And what's more, Canadian-European Forwarders have other Associate Companies in France, Holland, Belgium, Switzerland, etc., who maintain regular freight services from those countries to Canada. Take my advice and let Canadian-European handle all your traffic—import and export —and they'll not only do a good job, but take all the worries off your shoulders.

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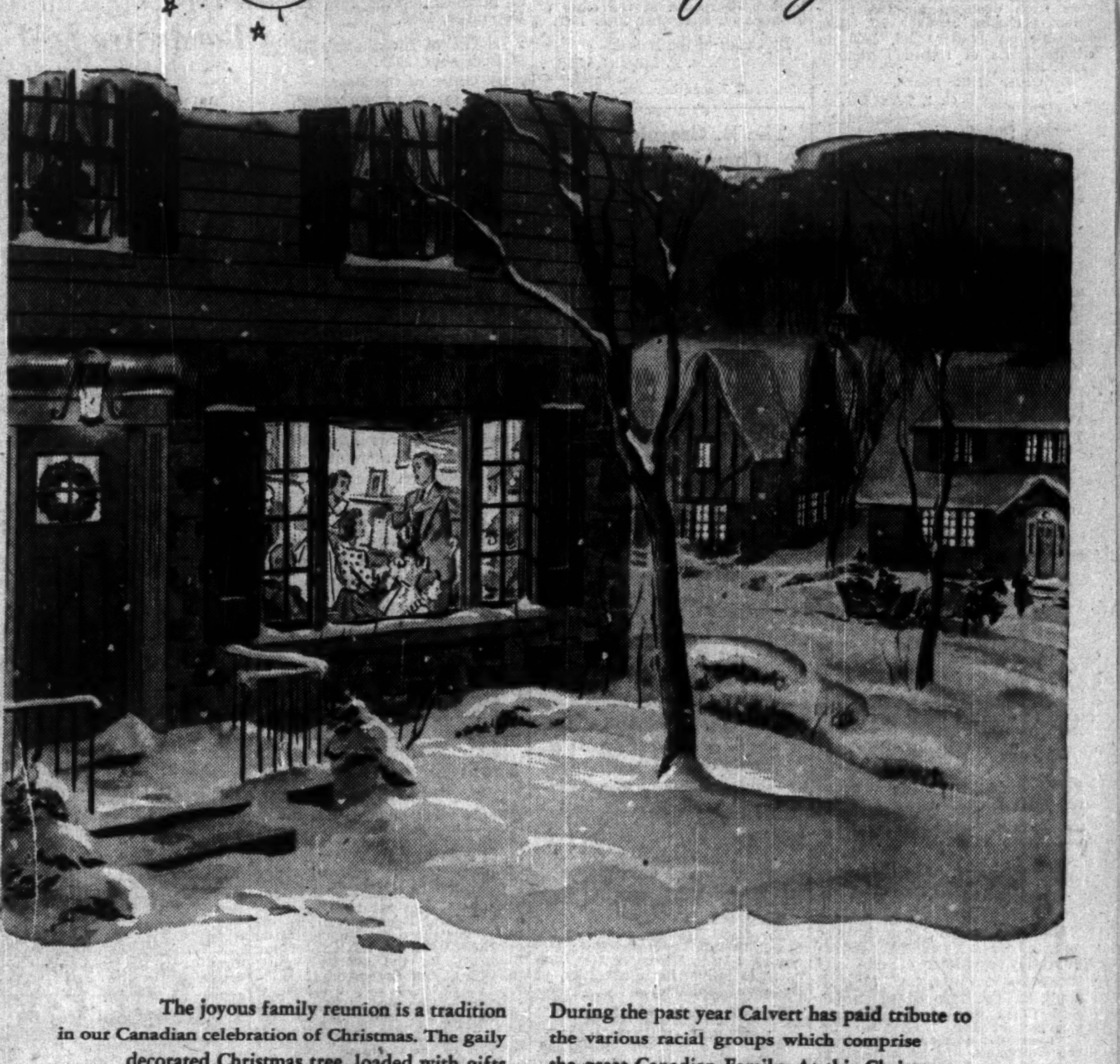

The joyous family reunion is a tradition in our Canadian celebration of Christmas. The gaily decorated Christmas tree, loaded with gifts . . . the holly wreaths . . . the laughter and excitement . . . the tantalizing aroma that heralds the Christmas dinner . . . all affirm that Christmas time is family time.

During the past year Calvert has paid tribute to the various racial groups which comprise the great Canadian Family. At this Christmas season of happy family gatherings we wish to salute *all* Canadian families with the words written by Calvert himself over three hundred years ago: "May all happiness attend you".

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NEW DICKENSON MINES LIMITED

The underground diamond drilling currently testing the North C Zone below the fourth level, continues to show excellent results. Several ore intersections have been encountered, returning high values over widths up to 25 feet.

•

Production in November was the best to date, showing a total of $30,221.00 from 3,339 tons, for an average of 111 tons milled per day. Mill heads for the month averaged $13.80 and it is estimated that operating profit will run in the neighbourhood of $8,000.00. This compares favourably with the operating profits in September and October which were respectively $3,235.00 and $4.980.00.

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Progress reports may be obtained by writing or phoning this office.

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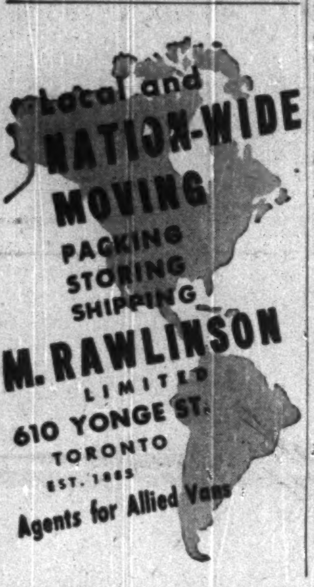
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Malartic Gold Fields Operating Profits Seen Close to $1.2 Millions for 1949

A record-breaking operating profit of close to $1.2 millions or 30c a share, including cost-aid, is expected to be reported by Malartic Gold Fields for 1949 before write-offs and taxes.

This year has been one of progressive improvement at Gold Fields with milling rate currently at a level of 1,600 tons daily against a 1,140-ton daily average in the first quarter of this year.

Operating profits, exclusive of cost-aid, amounted to $557,039 for the first nine months of this year. Including $317,703 of estimated cost-aid for this period, over-all profit amounted to $864,741 before non-operating charges.

Indications are that the last quarter should be by far the best ever enjoyed by the company. In the third quarter, recovery was $813,965 from 131,519 tons for an average daily mill rate of 1,460 tons. With the mill up to 1,600 tons daily and a $38.50 an oz. price of gold prevailing this quarter, production may be upward of $950,000, with mine operating profit before cost-aid of $225,000. Cost-aid should be at close to the rate of earlier quarters. Full-year operating income of close to $1.2 millions is thus in prospect.

Power Adequate

Full power supply is available in Quebec and no power shortage is likely to interfere with record level of mining activities in the final quarter.

Including cost-aid, operating profits of $864,741 in the first nine months of 1949 were almost equal to the entire bank loan of $890,000 reported at Jan. 1, 1949. By the end of this year working capital will probably be close to a half million dollars, after allowing for tax liability. Dividend action would appear to be a good possibility for the early part of next year.

Ore reserves at the beginning of this year totaled 4,880,000 tons, equivalent to over eight years' supply at current level of milling. Grade was slightly under average recovery so far this year, but this is believed to be attributable to sharp "cutting" of assays in working out reserve averages. Reserves have been fairly well maintained this year by extensive work completed in the No. 2 west mine area.

Work to the west on the 450, 600 and 1,200-ft. levels of No. 2 shaft has shown the westward extension of the three main ore structures: Nos. 8, 9 and 10. Transverse drilling at the 450-ft. level has also indicated a subsidiary diorite dyke structure between Nos. 9 and 10 similar to that on the 1,200-ft. level.

No. 9 ore body has been opened on the 470-ft. level for 285 ft with average width of 12 ft.

On the 600 level, No. 9 ore body has been opened up for a total length of 450 ft. with average width of 12 ft. running mine grade. No. 9 heading is out well beyond the Nos. 8 and 10 and flat drilling is under way to north and south.

On the 1,200 level, No. 10 ore body has been opened for 220 ft. showing mine average across 12 ft. No. 9 has a total opened length of 325 ft. averaging 0.22 oz. gold across 22 ft. No. 8 has been opened up for 140 ft., carries a grade of 0.36 oz. across 10 ft. The most northerly ore body, No. 8N, has been drifted on for 220 ft. carrying mine average grade across drift width. Slashing and test holing are to be done to delimit ore widths.

West mine production has been mainly from 450, 600 and 1,200-ft levels. The 750-ft. level has been prepared for stoping and this is now proceeding.

Upwards of 50 stopes are now supplying mine feed.

Drive Out to South

The long exploratory crosscut to the indicated south ore zone has been carried 470 ft. on the 1,050-ft. level with 1,200 ft. to go to the first zone to be drilled and a further distance of 200 ft. beyond to the favorable ore and structural conditions indicated by surface drilling years ago.

Preparations are now under way for deepening of the main No. 2 shaft below the 1,200-ft. level. Four new levels are planned at 150-ft. intervals with sinking expected to be in progress by mid-1950.

With full mill capacity now attained, greater attention is being paid to the larger possibilities of the property. Several anomalies have been indicated by magnetometer survey to the west and these are now being drilled. Underground work is being completed closely in conjunction with this.

Labrador M. & E. Secures Approval for Financing

Unanimous approval was granted by shareholders of Labrador Mining & Exploration Co. at a special meeting last week to the proposal for further development of a large part of indicated iron ore resources of both Labrador and Hollinger North Shore by Iron Ore Co. of Canada, a new company backed by six U. S. steel companies and Hollinger Consolidated Gold Mines.

President Jules R. Timmins declared that while the proposal of Iron Ore Co. of Canada required no expenditures on part of Labrador Mining & Exploration Co., exploration of the remaining territory of the company's concession, amounting to approximately 17,500 square miles was planned. Financial arrangements would be necessary for the considerable expenditure of money required, Mr. Timmins indicated.

Asked by a shareholder if this meant that Labrador Mining's capital would be increased, Mr. Timmins said he was "satisfied there will be an increase in capital structure to pay for additional exploration."

The present situation was outlined by Mr. Timmins in part as follows:

"It has taken some seven years of exploration, geological and development work on the concession of the Labrador Mining & Exploration Co. and the concession of Hollinger North Shore Exploration Co. to arrive at the company's present satisfactory state of development. Some $6 millions has been expended at considerable risk. Many difficulties were met with and successfully overcome, thanks to the determination and resourcefulness of the members of the office and field staffs.

"The first objective was to establish the existence of sufficient tonnage of iron ore of marketable grade to justify the expense of mining and transporting the ore by railway to Seven Islands, estimated at some 300 million tons. At present some 355 million tons are indicated by diamond drilling.

"Having established the required tonnage, our next concern was the marketing of the ore. The largest users of iron ore are the steel companies of the United States and, accordingly, their financial and consumer interest was essential. You will have seen from the proposal some of the largest steel companies have become most welcome participants as subscribers to the stock of Iron Ore Co. of Canada.

"With the prospects of successfully marketing at least 10 million tons of iron ore per annum, plans for financing the entire project were formulated and the Iron Ore Co. of Canada was incorporated and subscriptions for stock obtained as outlined in the proposal.

"In the event Iron Ore Co. of Canada exercises its option to take subleases before Dec. 31, 1953, it will build and equip a railway from the mines to Seven Islands with adequate docks and shipping facilities, together with the construction and operation of the mines, power plants, buildings and other facilities at an estimated cost of between $150 million and $200 millions. It is safe to conclude that this vast project will not be undertaken unless ample finances are available and commitments obtained for at least 10 million tons of iron ore and specialties per annum.

"Whilst the proposal calls for no expenditure of money by your company, your directors intend to continue the exploration and development of the remaining territory of your Company's concession amounting to approximately 17,500 square miles outside area "B" referred to in the proposal. This will involve considerable expenditure of money for which financial arrangements will have to be made.

"This proposal would not have been made possible if it had not been for the financial support, co-operation and influence of Hollinger Consolidated Gold Mines and Hanna Coal & Ore Corp., for which your directors are greatly indebted.

"Recently some newspapers referred to certain resolutions passed by the Legislature of Newfoundland with respect to taxes on mining operations and options including royalties as being applicable to your company. In this respect I have received the following telegram from Premier J. R. Smallwood of Newfoundland, i.e.,

"'You may assure your shareholders and all others concerned that, as I announced in our House of Assembly yesterday, the provisions of the Newfoundland Act to impose taxes on certain mining operations and options including the royalty on ore mined and the 5% tax on options will not apply to Labrador Mining & Exploration Co. or its assigns or sublessees. To remove any doubt we today a few minutes before prorogation passed an amendment effectually exempting the Labrador operations from this Act.'"

Asks Royalty Bids, Not Bonuses In Handing Out Alberta's Oil

From Our Own Correspondent

EDMONTON — Competitive royalty bids rather than cash bonuses for oil rights leases in Alberta were recommended by Elmer E. Roper, provincial C.C.F. Leader, at the Alberta C.C.F. convention.

Roper claimed that the government's policy of calling for tenders on leases on a cash bonus basis limited bidding to corporations with big cash reserves and closed the door on co-operatives and small companies.

Another alternative to cash bonus bids, he said, was for the government to drill publicly-owned wells.

Roper claimed that bids as high as 80% royalty would have been made in the Redwater field.

"By adopting a policy of restricting royalties to 12½%, the government has deliberately chosen to limit its long-term income from the province's oil resources," said the provincial C.C.F. leader.

Drill For Oil In Edmonton?

May Provide Special Zone Where Drilling Would Be Permitted

From Our Own Correspondent

EDMONTON — City council here has taken the initial step to permit drilling rigs to probe for oil within Edmonton's boundaries.

Council has referred to the town planning commission the question of possible amendments to the zoning bylaw, to provide a special zone to cover drilling for oil. At present, this would fall within the heavy industry zone which would cripple most exploration within the city limits.

For the time being, council has tabled an application from the Sherbrooke Land Co., for permission to drill a wildcat well in the northwestern part of the city at a spot described as "four blocks from nowhere, all ways."

Aldermen in their deliberations were given cause to pause when Commissioner Hodgson remarked darkly, "Our only difficulty would be if we struck another Atlantic No. 3." This famous rogue well created chaos in the Leduc field when it ran wild for six months.

The city does not own the oil rights on the property on which the Sherbrooke Land Co. would like to drill, but councilmen figure the information uncovered would be worthwhile. The city does own oil-rights on other property, as for example, the the land on which the power house is located.

City Solicitor Thomas Garside said it would take years for the city to check ownership of all mineral rights within its borders.

AUGUST PORCUPINE GOLD MINES is commencing a new program of work on its Alma vein which is stated to have been traced a distance of 1,200 ft. in previous work. Intensive sampling is planned preparatory to diamond drilling. A financing program is stated to have been arranged which will take care of work proposed. Secretary E. A. R. Newson, reports.

CONSOLIDATED SMELTERS has announced a system of Christmas bonuses for employees at Trail, Kimberley and certain other operations. A bonus of $75 will be paid to all eligible employees who started work before Jan. 15, 1949, and continued in employment to Nov. 30, 1949. A bonus of $37.50 will be paid to all eligible employees who entered employment after Jan. 15, 1949, but before July 16 and who continued in employment to Nov. 30, 1949.

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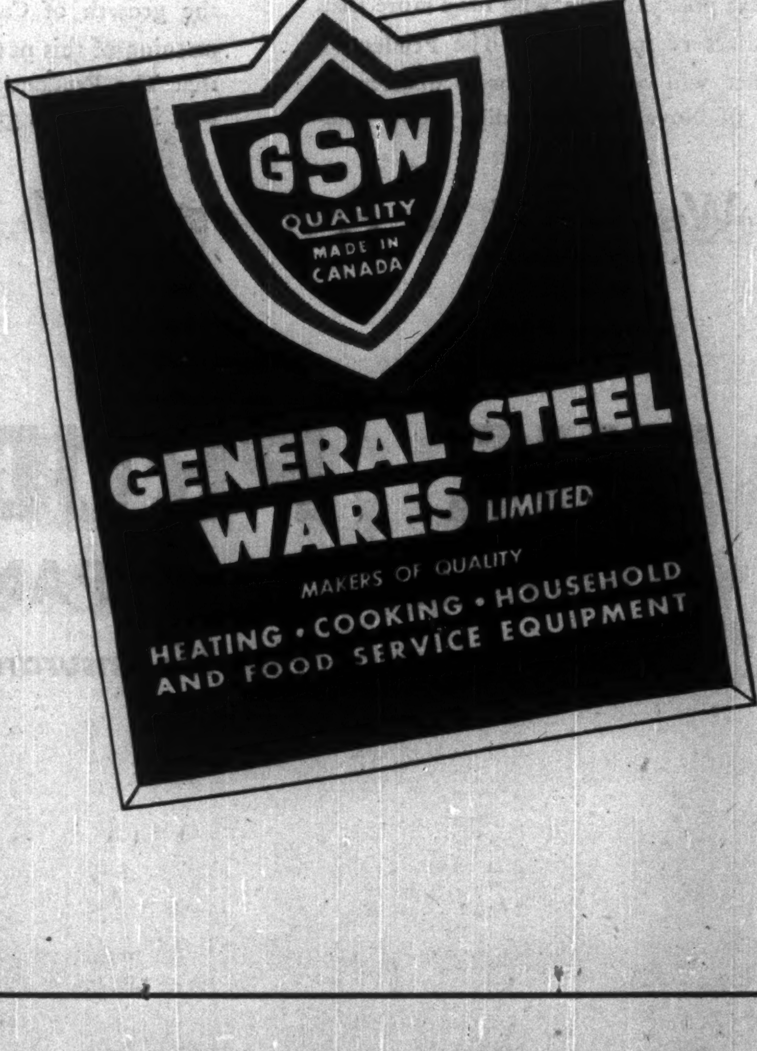
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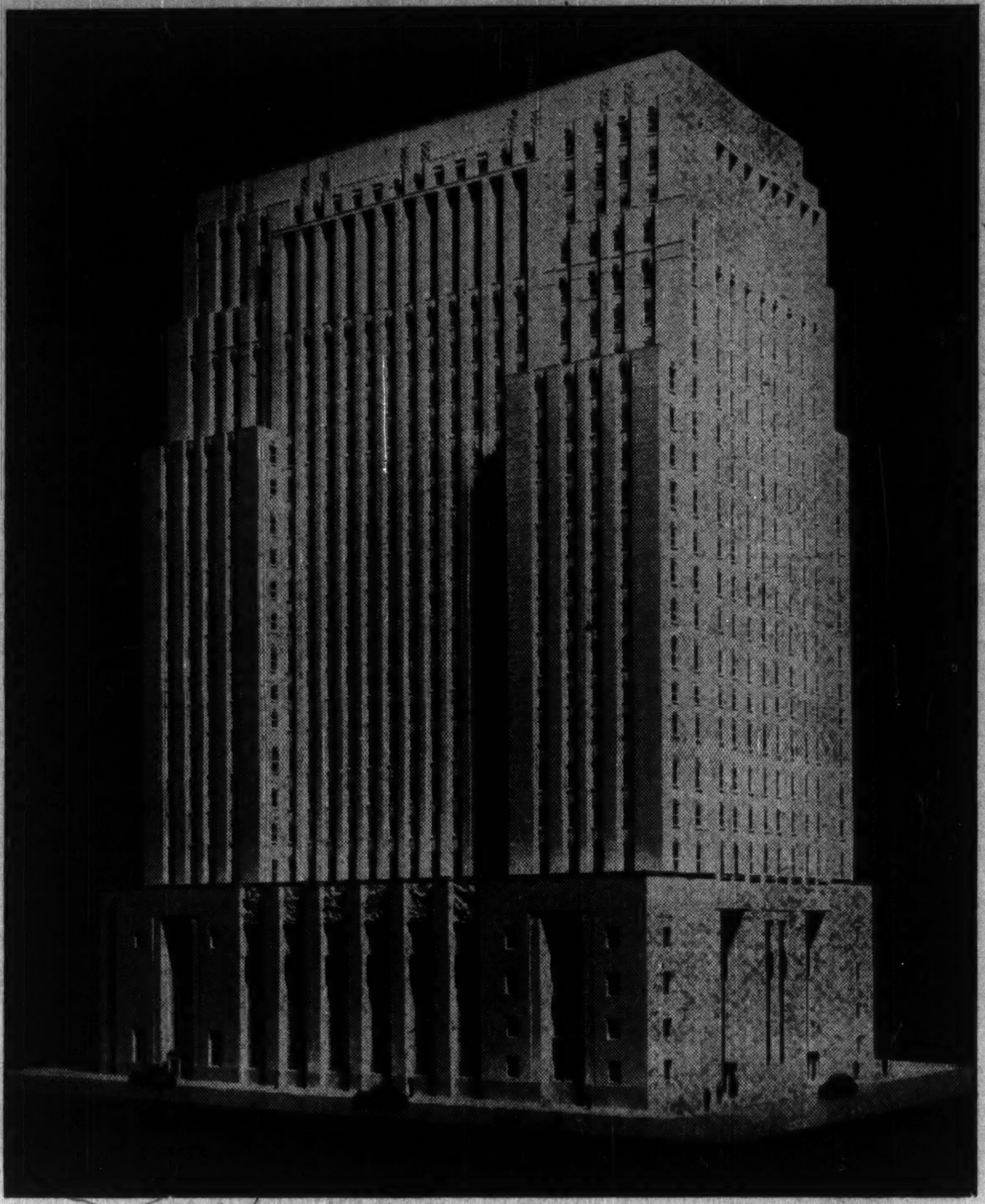

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